

Consolidated Financial Statements

august 31, 2026

Audit procedures in the process of being finalised





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Consolidated income statement

(in millions of euros)

	Notes	FY2025	FY2026
REVENUE	4.3	1,084.6	1,145.1
Personnel expenses	4.4	(261.9)	(282.3)
Operating expenses	4.5	(401.4)	(402.3)
CURRENT EBITDA⁽¹⁾		421.3	460.5
Depreciation, amortisation and impairment expenses	4.6	(354.4)	(378.3)
CURRENT OPERATING PROFIT (LOSS)		66.9	82.2
Other non-current operating income	4.7	5.7	(5.8)
Other non-current operating expenses	4.7	(3.1)	1.5
OPERATING RESULTS		69.4	77.8
Borrowing costs		(53.7)	(58.2)
Other financial income		10.2	21.8
Other financial expenses		(21.6)	(20.8)
NET FINANCIAL INCOME (EXPENSE)	4.8	(65.1)	(57.2)
PROFIT (LOSS) BEFORE TAX		4.4	20.6
Income tax	4.9	(3.9)	(11.2)
CONSOLIDATED NET INCOME (LOSS)		0.4	9.4
EARNINGS PER SHARE			
Basic earnings per ordinary share (in euros)		0.00	0.06
Diluted earnings per share (in euros)		0.00	0.06

(1) The current EBITDA indicator defined in Note 4.1 corresponds to operating results before depreciation, amortisation, impairment and other non-current operating income and expenses (see Note 4.7).

Consolidated statement of comprehensive income

(in millions of euros)

	Notes	FY2025	FY2026
Remeasurement of hedging instruments	4.19	(7.9)	3.1
Tax on recyclable items		2.0	(0.8)
Translation differences ⁽¹⁾		(10.6)	(0.5)
Items that are recyclable to profit or loss		(16.4)	1.7
Actuarial gains and losses on defined benefit pension plans		(0.3)	0.1
Tax on non-recyclable items		0.1	-
Items that cannot be recycled to profit or loss		(0.2)	0.1
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		(16.6)	1.8
Consolidated net income (loss)		0.4	9.4
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		(16.2)	11.2

(1) The change in translation differences recorded in other comprehensive income of 2026 corresponds to an unrealised exchange loss of €0.5 million for the period ended 31 August 2026, mainly reflecting the deterioration of the US and Canadian dollars on the translation into euros of the statements of financial position of the US and Canadian subsidiaries, which are denominated in local currency.

Consolidated statement of financial position

(in millions of euros)

	Notes	FY2025	FY2026
Goodwill	4.10	59.1	89.4
Other intangible assets	4.10	297.4	302.0
Property, plant and equipment	4.11	993.3	1,071.1
Right-of-use assets	4.23	134.9	129.5
Derivative financial instruments – non-current assets	4.18	2.5	4.4
Other non-current receivables		22.4	19.6
Non-current financial assets	4.13	2.1	2.2
Deferred tax assets	4.9	19.9	15.5
Total non-current assets		1,531.6	1,633.7
Customers	4.14	53.2	69.2
Other receivables and current assets	4.15	74.0	84.2
Current tax assets		1.7	1.3
Derivative financial instruments – current assets	4.19	0.0	0.1
Cash and cash equivalents	4.17	41.9	55.3
Total current assets		170.7	210.1
TOTAL ASSETS		1,702.3	1,843.8

(in millions of euros)

	Notes	FY2025	FY2026
Share capital	4.16	151.7	153.5
Share premiums		102.6	129.1
Reserves and retained earnings		(226.5)	(217.4)
Consolidated net income (loss)		0.4	9.4
Equity		28.2	74.6
Non-current financial liabilities	4.17	1,133.3	1,137.0
Non-current lease liabilities	4.17	117.5	107.3
Derivative financial instruments – non-current liabilities		1.2	0.1
Other non-current financial liabilities		12.9	15.8
Non-current provisions	4.21	15.3	16.8
Deferred tax liabilities	4.9	8.7	9.9
Other non-current liabilities	4.22	17.0	19.9
Total non-current liabilities		1,305.9	1,306.7
Current financial liabilities	4.17	11.3	75.0
Current lease liabilities	4.17	33.4	37.0
Current provisions	4.21	14.4	8.2
Trade payables	4.22	116.5	118.6
Current tax liabilities		13.1	10.6
Derivatives - liabilities	4.19	0.3	0.2
Other current liabilities	4.22	179.2	213.0
Total current liabilities		368.1	462.5
TOTAL EQUITY AND LIABILITIES		1,702.3	1,843.8

Consolidated statement of changes in equity

<i>(in millions of euros)</i>	Share capital	Share premiums	Reserves and consolidated net income (loss)	Translation reserves	Other comprehensive income (loss) (excluding translation reserves) ⁽²⁾	Equity
1 SEPTEMBER 2025	151.7	102.6	(208.4)	(19.4)	1.8	28.2
Consolidated net income (loss)	-	-	9.4	-	-	9.4
Other comprehensive income (loss)	-	-	-	(0.5)	2.3	1.8
Comprehensive income (loss)	-	-	9.4	(0.5)	2.3	11.2
Share-based payments and employee share plans ⁽¹⁾	-	-	0.9	-	-	0.9
Cancellation of treasury shares	-	-	6.4	-	-	6.4
Changes in scope of consolidation during the period ⁽³⁾	-	26.5	-	-	-	26.5
Other movements	1.8	-	(0.5)	-	-	1.3
Transactions with shareholders	1.8	26.5	6.8	-	-	35.1
31 AUGUST 2026	153.5	129.1	(192.2)	(19.9)	4.2	74.6

(1) Allocation of free shares and employee share plans (see Note 4.4).

(2) Impact of financial instruments.

(3) The changes in the scope of consolidation during the period concern the acquisitions of SEALD, OVH LLM and Gladia

<i>(in millions of euros)</i>	Share capital	Share premiums	Reserves and consolidated net income (loss)	Translation reserves	Other comprehensive income (loss) (excluding translation reserves) ⁽²⁾	Equity
1 SEPTEMBER 2024	190.5	418.3	(214.8)	(8.9)	7.9	393.0
Consolidated net income (loss)	-	-	0.4	-	-	0.4
Other comprehensive income (loss)	-	-	-	(10.6)	(6.1)	(16.6)
Comprehensive income (loss)	-	-	0.4	(10.6)	(6.1)	(16.2)
Share-based payments and employee share plans ⁽¹⁾	-	-	7.5	-	-	7.5
Cancellation of treasury shares	-	-	(1.6)	-	-	(1.6)
Share Buyback Offer ⁽³⁾	(38.9)	(315.7)	-	-	-	(354.6)
Other movements	-	-	-	-	-	-
Transactions with shareholders	(38.9)	(315.7)	6.0	-	-	(348.6)
31 AUGUST 2025	151.7	102.6	(208.4)	(19.4)	1.8	28.2

(1) Allocation of free shares and employee share plans (see Note 4.4).

(2) Impact of financial instruments.

(3) Transaction costs relating to the Share Buyback Offer amounted to €(4.6) million. They correspond mainly to legal and advisory fees and the tax on financial transactions.

Consolidated statement of cash flows

(in millions of euros)

	Notes	FY2025	FY2026
CONSOLIDATED NET INCOME (LOSS)		0.4	9.4
ADJUSTMENTS TO NET INCOME ITEMS:			
Depreciation, amortisation and impairment of non-current assets and right-of-use assets	4.6	354.4	378.2
Changes in provisions		(1.6)	(6.3)
Gains or losses on asset disposals and other write-offs and remeasurements		(3.4)	6.1
Expense related to share allocations (excluding social security contributions)	4.24	7.5	8.8
Income tax expense / benefit	4.9	3.9	11.2
Net finance (income) expense (excluding foreign exchange differences)	4.8	60.5	60.0
Gross cash flow from operating activities	A	421.9	467.4
Change in net operating receivables and other receivables	4.14-4.15	(10.7)	(65.4)
Change in operating payables and other payables	4.22	11.7	80.5
Change in operating working capital requirement	B	1.0	15.1
Tax paid	C	(3.8)	(8.5)
NET CASH FLOWS FROM OPERATING ACTIVITIES	D=A+B+C	419.0	474.0
Cash outflows related to acquisitions of property, plant and equipment and intangible assets	4.10-4.11	(368.9)	(422.4)
Proceeds from disposal of assets		7.5	-
Cash inflows/(outflows) related to business combinations, net of cash		(0.0)	(0.3)
Cash inflows/(outflows) related to loans and advances granted		(0.3)	(5.2)
Net cash flows from (used in) investing activities	E	(361.8)	(427.9)
Acquisition of treasury shares		(356.1)	(8.3)
Capital increase		-	-
Increase in debt	4.17	1,396.3	88.8
Repayment of debt	4.17	(1,014.0)	(23.0)
Repayment of lease liabilities		(43.2)	(39.3)
Financial interest paid	4.17	(39.1)	(51.8)
Guarantee deposits received and other financial liabilities		(1.8)	3.6
Net cash flows from (used in) financing activities	F	(58.0)	(30.0)
Effect of exchange rate changes on cash and cash equivalents	G	(0.6)	(0.3)
CHANGE IN CASH AND CASH EQUIVALENTS	D+E+F+G	(1.4)	15.8
Cash and cash equivalents at beginning of the period		40.9	39.6
Cash and cash equivalents at end of the period		39.6	55.3

(in millions of euros)

	FY2025	FY2026
Cash at bank	41.9	55.3
Bank overdrafts	(2.3)	0.0
NET CASH POSITION	39.6	55.3

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Note 1 Presentation of the Group

OVHcloud is a global player and the European leader in cloud solutions, active on five continents. For over twenty years, the Group has relied on an integrated model that gives it complete control over its value chain: from the design of its servers to the design of the cloud platform solutions that it provides to its customers together with the construction and management of its datacenters, and the organisation of its fibre optic network. This unique approach allows the Group to cover all of its customers' uses in a fully independent way. Today, the Group offers state-of-the-art solutions combining high performance, price predictability and total sovereignty over their data, to support their growth in complete freedom.

The terms "OVHcloud" and the "Group", as used in the consolidated financial statements, unless otherwise expressly stated, refer to the Company, its subsidiaries and its direct and indirect equity interests.

The parent company of the Group (the "Group") is OVH Groupe (the "Company") which was founded in 1999 in France and is currently registered at 2, rue Kellermann, 59100 Roubaix, France.

The Group's consolidated financial statements for the year ended 31 August 2026 were approved by the Board of Directors on 19 October 2026 and will be submitted to the General Meeting for approval.

The consolidated financial statements are presented in millions of euros (unless otherwise stated). The amounts indicated are rounded to the nearest hundred thousand euros, which may, in certain cases, lead to non-material discrepancies in the totals and sub-totals shown in tables.

Note 2 Significant events

2.1 Significant events during the financial year ended 31 August 2026

Three acquisitions were made during the year to supplement the Group's AI and technology portfolio: these three entities represent less than 1% of consolidated revenue over the 12 months, and represent an insignificant portion for FY2026.

Acquisition of SEALD

On 7 January 2026, OVHcloud completed the acquisition of 100% of the French company SEALD, an end-to-end encryption solution protecting sensitive data in applications, files, messages and databases. The acquisition price of the shares amounted to €2 million.

Acquisition of OVH LLM

On 25 March 2026, OVHcloud completed the acquisition of 100% of Dragon LLM, a developer of specialized generative AI models. The Group thus created its AI lab to offer new services to its customers based on LLMs. The transaction was performed entirely with contributions in kind of shares (existing OVHcloud shares). The acquisition price of the shares amounted to €7.3 million. Dragon LLM has been renamed OVH LLM.

Acquisition of Gladia

On 31 July 2026, OVHcloud completed the acquisition of 100% of the French company Gladia, a developer of audio transcription and voice intelligence solutions. The transaction was performed entirely by the contribution in kind of the shares (by issuing new OVHcloud shares). The Group is therefore strengthening its AI lab to offer its customers new voice AI services. The acquisition price of the shares amounted to €30.8 million.

Anticipatory investments for FY2027

Faced with the exceptional inflation in the price of memory and storage components, the Group made advance acquisitions of components for €49.5 million for deployment in FY2027. They were recognised in non-current assets in progress at 31 August 2026. They were financed by a €49.5 million drawdown on a dedicated credit line (see note 4.17).

2.2 Events after the reporting period

No significant events are to be reported.

Note 3 Significant accounting policies used in the consolidated financial statements

3.1 Basis of preparation

The Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), as adopted by the European Union at 31 August 2026.

New standards, amendments and interpretations applicable from 1 September 2025

The accounting principles applied by OVHcloud are identical to those applied in the consolidated financial statements at 31 August 2025. The mandatory standards, amendments and interpretations as of 1 September 2025 had no material impact on the consolidated financial statements.

Other new standards, amendments and interpretations which do not apply on 1 September 2025 or which have not been adopted in advance

IFRS 18 "Presentation and disclosures in financial statements", adopted by the European Union, will replace IAS 1 "Presentation of financial statements" for periods beginning on or after 1 January 2027. The Group will apply it from the period beginning on 1 September 2027. As this application is retrospective, the data for the period ended 31 August 2027 that will be presented for comparison purposes will be restated. The Group is currently assessing the effects of this standard on the presentation of its consolidated financial statements. The Group is not envisaging an early application.

Amendments to standards after 1 September 2026

The amendments to IFRS 9 and IFRS 7, adopted by the European Union, are mandatory for financial years beginning on or after 1 January 2026, i.e. for the Group from the period beginning on 1 September 2026. They provide details on the treatment of renewable energy purchase agreements, the disclosures to be made on financial liabilities with ESG indexation clauses and on the date of recognition and derecognition of certain financial assets and liabilities. They also introduce an option allowing, subject to conditions, the derecognition of a financial liability settled by an electronic payment system before the settlement date. The Group has not made any advance application of these amendments.

3.2 Consolidation methods

Subsidiary

The subsidiaries over which OVH Groupe SA exercises control correspond to all entities controlled directly or indirectly by OVH Groupe SA. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities, income and expenses of subsidiaries are consolidated from the date on which the Group acquires control. They are deconsolidated from the date when control ceases.

Inter-company transactions, balances and gains and losses on transactions between Group companies are eliminated when preparing the consolidated financial statements.

3.3 Foreign currency translation

The consolidated financial statements are presented in euros, the functional currency of the Group, unless otherwise indicated.

Translation of the financial statements of foreign subsidiaries

The financial statements of each of the consolidated companies of the Group are prepared in their own functional currency, meaning the currency of the main economic environment in which they operate, and which generally corresponds to the local currency. All their financial transactions are then valued in this local currency.

The financial statements of consolidated entities with a functional currency other than the euro are translated using the closing rate method:

- assets and liabilities, including goodwill and fair value adjustments in the context of acquisition accounting, are converted into euros at the closing rate;
- income statement and cash flow items are converted into euros at the average rate of the period, in the absence of a significant change during the period.

All translation differences resulting from the consolidation of foreign subsidiaries are recognised as other comprehensive income that can be recycled to profit or loss on the line "Translation differences" and recorded under "Translation reserves" in consolidated equity. When a foreign entity is sold, the cumulative amount of the translation differences recognised in equity relating to this entity is reclassified to the income statement.

Translation of foreign currency transactions

Transactions denominated in foreign currencies are translated into the respective functional currencies of the Group companies using the exchange rates at the dates of the transactions.

At the period-end, monetary assets and liabilities are converted at the closing exchange rate. The resulting translation differences are recognised in the income statement in other financial income and expenses, with the exception of translation differences relating to long-term intra-group receivables and payables (the settlement of which is neither planned nor probable in the foreseeable future), which are essentially part of the Group's net investment in foreign operations, which are recognised, in accordance with IAS 21, in translation differences in comprehensive income.

3.4 Use of significant judgements and estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions that may affect the amounts of assets and liabilities at the reporting date, as well as the items in the income statement and income and expenses directly recognised in equity for the period.

Due to the inherent uncertainty of all measurement processes, these estimates take into account economic data and assumptions likely to vary over time, and interpretations of local regulations if applicable, and are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised and for any relevant future periods.

Consequently, they include a number of uncertainties and mainly concern: provisions for risks, measurement of the value of intangible assets and property, plant and equipment, development costs (measurement of development costs recognised as intangible assets [Note 4.10]), lease liabilities and right-of-use assets (estimates of the lease term and the incremental borrowing rate used when the implicit rate is not identifiable in the lease), deferred tax, determination of the income tax and research tax credit expense, share-based payment plans, the measurement of earn-outs recognised in personnel expenses in connection with the acquisition of equity interests, and the purchase price allocation.

OVHcloud's management also exercised its judgement to estimate the impact of climate and environmental issues on the assumptions and estimates used to prepare the financial statements. Over the past several years, the Group has been working hard to put in place a number of measures aimed at mitigating the effects of its activities on the environment, notably:

- Putting carbon neutrality at the heart of its ambitions across scopes 1, 2 and 3, by changing certain choices in terms of investments related to its business, notably in terms of energy and water consumption. The Group has developed watercooling technology in its datacenters. This technology combines watercooled servers with aircooled datacenters, thereby removing the need for air conditioning, which has significant environmental and cost benefits;
- Optimisation of the use of reconditioned components. This reverse supply chain allows the Group to better recycle components, and give them a second or even a third life. Servers are designed to be entirely dismantled. They are equipped with dedicated components, chosen to be easily reused, recycled and repaired. In 2026, the reused components rate was 29% (17% in 2025);
- The implementation of long-term green power purchase agreements. The Group has signed a number of power purchase agreements in France, Poland and Germany, providing for the supply of electricity from agrivoltaic and solar energy farms for terms of between 2 and 15 years, bringing the proportion of renewable energy used in datacenters to 99.5% (Note 4.20 - "Management of raw material risk").

These measures have not resulted in the Group changing the values assigned to the key assumptions in the impairment tests or the useful lives of its non-current assets, or recognising any environmental liabilities at 31 August 2026.

3.5 Significant accounting policies

The significant accounting policies applied by the Group to prepare its consolidated financial statements are as follows:

Business combinations

Business combinations are recognised in accordance with IFRS 3 (Revised) "Business Combinations", according to the acquisition method when all of the elements acquired meet the definition of a business whose control has been transferred to the Group.

Identifiable assets acquired and liabilities assumed as part of a business combination are, with some exceptions, initially measured at their fair value at the acquisition date. The Group recognises any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Costs directly attributable to the acquisition are recognised in other non-current operating expenses in the period in which they are incurred.

Goodwill resulting from a business combination is measured as follows:

- the fair value of the consideration transferred for an acquired entity;
- plus the amount of any non-controlling interest in the acquired entity;
- increased by fair value of any previous equity interest in the acquired entity; and
- less the net fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

Estimates of the consideration transferred and the fair value of the assets acquired and liabilities assumed are finalised within twelve months of the acquisition date. Adjustments are recognised as retroactive adjustments to goodwill if they reflect conditions prevailing on the acquisition date. Beyond this twelve-month period, any adjustment is recognised directly in the income statement.

When the payment of part of the cash consideration is deferred, the future amounts to be paid are discounted to their present value at the date of the acquisition of control. The discount rate used is the entity's incremental borrowing rate, meaning the rate at which similar borrowings could be obtained from an independent source of financing on comparable terms.

Earn-outs are initially recognised at their fair value. Earn-outs that meet the definition of financial liabilities are then remeasured at fair value and subsequent changes in fair value are recognised in the income statement. Earn-outs relating to a presence condition are recognised in the income statement over the duration of the presence condition.

Other intangible assets

Other intangible assets mainly include patents, licences, intellectual property, IP blocks ⁽¹⁾, software, customer relations and development costs. They are initially recognised:

- in the event of acquisition: at their acquisition cost;
- in the event of a business combination: at their fair value at the date of the acquisition of control;
- in the case of internal production: at their production cost for the Group.

Other intangible assets are recorded in the statement of financial position at their initial cost less accumulated amortisation and any impairment losses recorded.

Research and development expenses

Research and development expenses include the costs of technical activities, intellectual property, teaching and transmission of fundamental knowledge to ensure the development, manufacture, implementation and marketing of new or continuously improving technologies and software.

Development costs must be capitalised if, and only if, they meet the following restrictive criteria defined by IAS 38 "Intangible Assets":

- the project is clearly identified and the related costs are separable and reliably monitored;
- the technical and industrial feasibility of the project is proven;
- there is an intention to complete the project and use or sell the intangible asset resulting from the project;
- the Group has the ability to use or sell the intangible asset resulting from the project;
- the Group can demonstrate how the developed project will generate future economic benefits;
- the Group has adequate technical, financial and other resources to complete the project and to use or sell the intangible asset resulting from the project.

When these conditions are not met, development costs incurred by the Group are recognised as expenses in the period in which they are incurred.

Research expenses are recognised as expenses in the period in which they are incurred.

(1) An IP block allows a customer to associate equipment on its internal network with a public IP address. This includes eight IP addresses in total, five of which the customer can associate with its machines and services. The Group's IP addresses can be used with no lifetime limit, given the absence of expiry of the asset.

Technologies and software developed in-house

Development costs of technologies and software are recognised as intangible assets when specific conditions related to technical feasibility, prospects for marketing and profitability are met in accordance with IAS 38 “Intangible Assets”. Technological and economic feasibility is generally confirmed when the development project for a product or commercial solution has reached a defined milestone according to an established project management model. Development costs include the costs incurred in the execution of development activities, meaning salary costs allocated to development activities and the cost of external service providers.

In the case of software, the Group considers that only internal and external development expenses related to organic analysis,

programming, testing and user documentation costs may be capitalised, provided that the other conditions of IAS 38 “Intangible Assets” are complied with.

All other research and development expenses (together with all expenses arising during investigation phases) are expensed as incurred. Research and development expenses (whether capitalised or not) are mainly made up of personnel expenses (including salaries, bonuses, benefits and travel expenses) as well as fees of subcontractors integrated in the project teams that add new functionalities to OVHcloud’s existing offerings, develop new offerings, ensure reliable performance of its global cloud platform, and manage and develop internal IT systems and infrastructures. The Group presents an aggregate amount of research and development expenses in Note 4.10.

Amortisation periods

The main useful lives of the various categories of intangible assets are as follows:

	Amortisation method	Amortisation period
Technologies and software developed in-house	Linear	3 to 10 years
Customer relations	Linear	2 years
Software	Linear	> 1 year < 8 years
Patents and licences	Linear	> 1 year < 3 years
IP blocks	Not amortised	Indefinite lived

Software is amortised from the effective operational start of its use (in batches where applicable).

Amortisation is recognised in “Depreciation and amortisation expenses”. Any impairment losses recognised are recorded in the income statement under “Other non-current operating expenses” if they are significant and unusual.

Property, plant and equipment

Property, plant and equipment are measured at their acquisition or production cost less accumulated depreciation and any impairment losses recognised, by applying the component approach provided for in IAS 16 “Property, Plant and Equipment”.

Depreciation of property, plant and equipment is determined on a straight-line basis over the useful life of the asset from the date of commissioning.

If the recoverable amount of non-current assets is lower than their net carrying amount, an impairment loss is recognised.

Servers and components

Components for which the Group’s use exceeds one year are recorded in accordance with IAS 16 in “Property, plant and equipment in progress”. These components are valued at weighted average cost and are impaired when their carrying amount exceeds their recoverable amount.

Servers are valued at production cost, including the purchase cost of components valued at the weighted average price, and direct and indirect production costs. Components include the CPU-GPU processors, the RAM memory, the motherboard, and the hard drive. The start date of depreciation of the servers produced coincides with their commissioning date. Servers are depreciated on a straight-line basis over five years.

When components or servers are dismantled, they are recognised in “Property, plant and equipment in progress” at their value before depreciation. When a component is reinstalled on a server, it is valued at weighted average cost and depreciated on a straight-line basis over three years as from its commissioning date.

The main useful lives of the various categories of property, plant and equipment are as follows:

	Depreciation method	Depreciation period
Buildings	Linear	> 10 year < 30 years
Material tools	Linear	5 to 10 years
Infrastructure equipment and facilities	Linear	10 years
Vehicles	Linear	4 years
Network equipment	Linear	5 years
Server components and IT equipment	Linear	> 3 year < 5 years
Furniture	Linear	10 years

Capital gains and losses on disposals and retirement of property, plant and equipment are included in “Other non-current operating income or expenses” if they are significant and unusual.

Impairment of goodwill and non-current assets

The carrying amounts of goodwill, intangible assets with indefinite useful lives and assets under construction are tested for impairment at least once a year and more frequently when events or changes in circumstances indicate that they might be impaired. Other intangible assets and property, plant and equipment (including right-of-use assets in accordance with IFRS 16 "Leases") are tested for impairment only when there is an indication of impairment of value.

For the purposes of impairment testing, assets to which it is not possible to directly allocate independent cash flows are grouped together in the cash-generating unit (CGU) to which they belong, defined by IAS 36 "Impairment of Assets" as being the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is thus allocated to the CGU which is expected to benefit from the synergies of the associated business combination.

OVHcloud has four CGUs, which correspond to the smallest groups of assets generating independent cash inflows: Baremetal and Hosted Private Cloud (these two CGUs are combined within the Private Cloud segment), Public Cloud, and Webcloud & Other.

When the carrying amount of a CGU exceeds its recoverable amount, an impairment loss is recognised in other non-current operating expenses, after first being allocated to the carrying amount of any goodwill allocated to the CGU, where applicable.

Unlike those relating to other assets, goodwill impairment losses are definitive and cannot be reversed through the income statement at a later date.

The recoverable amount of a CGU is the higher of its fair value less costs of disposal and its value in use, which corresponds to the present value of the future cash flows expected to be derived from the use and disposal of the assets.

To calculate the recoverable amounts of its CGUs, the Group used a method based on discounting future cash flows.

The cash flows used are based on the budget approved by the Group's Board of Directors for the financial year following the current financial year. Cash flows subsequent to this period are based on the Group's business plan for the next two years and are extrapolated over a four-year period in order to factor in the growth of the Company before the assumption of a return to normal, to which a perpetual growth rate is applied. The latter is defined based on market growth forecasts from analysts. The assumptions used to generate these projected cash flows are based on the economic growth assumptions defined by the Group's management and are consistent with past performance.

Cash flows are discounted at the weighted average cost of capital (WACC) of the segment for each CGU.

The value in use is sensitive to the discount rate used as well as the expected future cash flows and the growth rate used for extrapolation purposes. The main assumptions used to determine the recoverable amount of the various CGUs, including a sensitivity analysis, are presented and explained in more detail in Note 4.12.

Leases (as lessee)

A contract or part of a contract contains a lease if it conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability on the effective commencement date of the lease.

The right-of-use asset is initially measured at cost, which includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus the initial direct costs incurred to enter into the lease, and an estimate of any costs to be incurred in dismantling or restoring the leased asset according to the terms of the lease. It is subsequently depreciated in accordance with IAS 16 "Property, Plant and Equipment" using the straight-line method from the commencement date over the term of the lease, corresponding to the non-cancellable term of use of the asset after taking into account any renewal or termination options if their exercise is considered reasonably certain by the Group's management. In addition, right-of-use assets may be subject to impairment in accordance with IAS 36 "Impairment of Assets" as part of the annual measurement test and when events or changes in circumstances indicate that it should be impaired.

The lease liability is initially measured at the present value of the future lease payments. The discount rate used corresponds to the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate (based on durations rather than maturities). In practice, the incremental borrowing rate is generally used.

If there is no interest rate implicit in a lease, the Group determines its incremental borrowing rate based on the interest rates granted by the various sources of external financing obtained by the Group and makes certain adjustments to take into account the conditions of the lease and the type of leased asset. The calculation of the discount rate requires the use of estimates, specifically for the credit spread added to the risk-free rate, to consider the specific economic environment of the lessee company. This rate is determined at the level of the lessee of the lease.

The carrying amount of the lease liability is subsequently increased by the interest expense and reduced by the lease payments made, in accordance with the effective interest rate method. It is remeasured in the event of a change in future lease payments following a change in index or rate, or, where applicable, in the event of a reassessment by the Group of the exercise of a purchase option or a termination option.

Payments relating to leases included in the scope of IFRS 16 "Leases" are recognised in net cash flows from financing activities in the consolidated statement of cash flows, broken down between the repayment of the principal of the lease liability and the implicit interest payment (included in "Financial interest paid").

The Group has used the recognition exemption provided for in IFRS 16 for leases with a term of one year or less and for leases for which the underlying asset is of low value (US\$ 5,000). Lease payments are recognised under "Operating expenses", and the portion paid out is presented in net cash flows from operating activities in the consolidated statement of cash flows.

The Group has identified five main categories of leased assets, details of which are provided in Note 4.23:

- **Offices:** these contracts concern various offices leased by the Group in the countries where it operates;
- **Datacenters:** these contracts mainly concern the rental of workshops and data warehouses;
- **Networks:** these contracts mainly concern network IT equipment leases;
- **Points of Presence (POP):** these contracts correspond to leased sites within infrastructure owned by third parties that the Group uses to establish the interconnections of its networks;
- **Other:** these contracts mainly concern rentals of space as part of the rollout of Local Zones, vehicles, power generators and other equipment used in Group operations.

The application of IFRS 16 "Leases" gives rise to the recognition of deferred tax, calculated on the basis of the value of the right-of-use asset, net of the corresponding lease liability.

Determination of the term of leases with renewal and termination options

Judgement and estimates were required to determine the exit dates of the Group's leases given the termination or renewal options provided for in certain contracts. In general, this concerns renewal options that the Group is reasonably certain to exercise based on the relevant facts and circumstances.

Renewal periods have been taken into account for network leases (five years, which can be renewed for further periods of up to 24 months) and POP "Point of Presence" leases (one to 15 years, which can be renewed for further periods of 12 months). The assumption that the Group will exercise renewal options is based on the relevant facts and circumstances and any economic incentives for the Group to exercise the options (such as the low level of related fittings, or de-installation costs and any possible service interruptions). With regard to property leases, the assessment was made based on the location of the property (France or abroad) and whether or not it is considered strategic, as well as the recent nature of the main leases signed by the Group. In France, most property leases are so-called "3, 6, 9" commercial leases. In general, a total term of nine years has been used based on the Group's analysis in terms of penalties and economic incentives such as related investments or moving costs, or the contractual penalties provided for in the leases, in accordance with the interpretation of the IASB Interpretation Committee and the statement of conclusions of the French accounting standard-setter, the ANC. In particular, the non-removable fixtures are not significant and have a useful life similar to the residual term of the leases.

The Group's other main leases generally have terms as follows, determined in accordance with the principles mentioned above:

- Offices located outside France: between 1 and 10 years.
- Datacenters (duration depending on the country): between 1 and 40 years. The leases for certain datacenters may have relatively short terms so that the Group can effectively manage its growth and be able to quickly change or increase space as needed.
- Power generators: 3 years
- Vehicles: 3 years

The lease term is not systematically reestimated. The Group only revises this amount when a significant event occurs or a material change in circumstances which, firstly, is within its control and, secondly, modifies its assessment of whether it is reasonably certain that a renewal or termination option will be exercised. The lease liability and right-of-use assets are then remeasured accordingly.

Trade receivables and other operating receivables

Trade receivables are initially recognised at their transaction price within the meaning of IFRS 15 "Revenue from Contracts with Customers" and subsequently measured at amortised cost which generally corresponds to their nominal value. Impairment losses are recognised for the expected credit losses over the life of the asset: the Group applies the simplified approach for this calculation for receivables and contract assets as well as receivables related to leases financing contracts under IFRS 16 "Leases" (mainly revenue from dedicated servers and dedicated cloud services).

The Group has set up a provisioning matrix based on its credit loss history, adjusted for forward-looking factors specific to the debtors and economic environment concerned where applicable.

Provisioning rates are based on days of arrears for customer groups by geographic area of the end customer.

The provisioning matrix is initially based on the Group's observed historical default rates. At each reporting date, the historical default rates observed are updated.

Information on impairment of the Group's trade receivables is presented in Note 4.14.

Cash and cash equivalents

This item includes cash (current bank accounts) and cash equivalents corresponding to term deposits with a maturity of less than three months that are highly liquid, readily convertible into known amounts of cash and subject to insignificant risk of changes in value.

Financial instruments

The Group classifies its financial instruments as follows:

- Trade receivables, deposits, guarantees and other loans as financial assets at amortised cost (Notes 4.13, 4.14 and 4.15);
- Shares in non-consolidated entities as financial assets at fair value through profit or loss or OCI (Note 4.18);
- Borrowings and other debt as financial liabilities at amortised cost using the effective interest rate method – EIR (Note 4.17);
- Derivative assets and liabilities as financial assets and liabilities at fair value through profit or loss, with the exception of derivatives classified as cash flow hedges (Note 4.19).

Derivatives

The Group holds derivative financial instruments to hedge foreign exchange risk and interest rate risk.

Derivatives are recognised at their fair value in the statement of financial position. Changes in fair value are recognised in other financial income and expenses unless they are eligible for hedge accounting.

The Group designates certain derivatives as cash flow hedging instruments in order to hedge the variability of cash flows related to highly probable forecast transactions resulting from changes in exchange rates and interest rates. When establishing a designated hedging relationship, the Group documents its risk management target and the hedge implementation strategy. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items.

Cash flow hedges

The Group's hedging instruments are currency swaps and forward currency purchases that are set up in order to hedge changes in the price of future purchases of electronic components against foreign exchange risk. Furthermore, the borrowings and other debt hedged by interest rate swaps (interest rate swap contracts) are subject to hedge accounting.

When a derivative is designated as a cash flow hedge, its initial value and the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve.

The effective portion of the change in the fair value of the derivative recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedging item as soon as the hedge is in place. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in other financial income and expenses.

The Group has chosen not to separate out the carry-forward component of forward currency purchases as hedging costs.

When the expected hedged transaction results from the recognition of a non-financial item such as non-current assets, the amount accumulated in the hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

Current and non-current provisions

A provision is recognised when the Group has a legal or constructive obligation towards a third party and it is probable or certain that the settlement of the obligation will result in an outflow of resources for the benefit of said third party. The amount recognised as a provision by the Group must be the best estimate of the expenditure required to settle the present legal or constructive obligation at the end of the reporting period. Provisions mainly consist of provisions for disputes with subcontractors, customers, co-contractors or suppliers. The Group identifies, assesses and finances each risk relating to claims, in conjunction with its legal advisers, on the basis of the best estimate of the risk incurred.

Commitments resulting from restructuring plans are recognised when detailed plans have been drawn up and implementation has started, or an announcement has been made.

Employee benefits

Defined-contribution post-employment plans correspond to general and special social security plans in France and to plans in Canada and the United States. The contributions to be paid are recognised as expenses when the corresponding service is rendered.

Defined benefit post-employment plans mainly correspond to retirement benefits in France. These obligations are not financed through an external organisation.

The liabilities and costs of defined benefit pension plans, as presented above, are determined using actuarial valuations, estimated on the basis of assumptions made, in particular in terms of discount rates, expected salary inflation and mortality rates. Defined benefit obligations are calculated annually by a qualified actuary using the projected unit credit method.

Remeasurements of the defined benefit liability (actuarial gains and losses) are recognised immediately in other comprehensive income. The Group determines the interest expense by applying the discount rate to the liabilities and the cost of services as determined at the beginning of the year. This liability is adjusted, where applicable, for any change resulting from the payment of benefits during the period.

The Group recognises all interest expenses related to defined benefit pension plans in other financial expenses. The other costs are included in personnel expenses.

Other long-term employee benefits may be granted, such as the long-service award scheme. This scheme was introduced in FY2023 for employees based in France, for a limited period of five years, and in FY2024 for employees based outside France. It entitles employees with five, 10 or 15 years' seniority to a bonus and has been made permanent for all Group employees from FY2024. To be eligible, employees must meet a double presence condition, namely they must be employed by the Group at the financial year-end and then on the payment date (nine months later, i.e., 31 May). This seniority bonus is measured based on actuarial assumptions including demographic, financial and discounting assumptions. Actuarial gains and losses in respect of other long-term benefits are recognised in profit or loss in the period in which they arise.

Share-based payments

Some Group employees and corporate officers receive compensation in the form of share-based payments, under which services are provided in consideration for equity instruments (equity-settled transactions) and cash-settled instruments (cash-settled transactions and "phantom shares" awarded to employees outside France).

The fair value of these free shares is recognised in personnel expenses (Note 4.4), using the graded vesting method. The consideration is recognised over the vesting period as an increase

in equity for equity-settled transactions, or as a liability for cash-settled transactions. The fair value is adjusted at each closing date throughout the vesting period, up to and including the settlement date, to reflect the rights for which the associated service conditions will be met, based on the best estimate of the percentage of employees who will meet the vesting conditions in fine (a percentage estimated by management) and the best estimate of the associated performance conditions. The fair value for equity-settled transactions is fixed at the grant date and is not remeasured at each reporting date. The number of equity instruments is adjusted during the vesting period to take service conditions and performance conditions which are not linked to the change in fair value into account.

Details of share-based payment transactions (assumptions and impact on the consolidated financial statements) are given in Notes 4.4 and 4.24.

Employee shareholding

During FY2023, the Group gave its employees the opportunity to invest all or part of their incentive bonus in shares. The offer was open to Group employees based in France and abroad, with a contribution by the Company for the same amount as the employees' investment (without increasing the share capital).

The Group announced that it would make this offer every year from FY2023 inclusive.

Performance share plan

At the Combined General Meetings of 14 October 2021 and 15 February 2024, the Company's shareholders authorised the Board of Directors to allocate shares to a defined number of employees on one or more occasions, subject to performance and presence conditions.

The Board of Directors approved the terms and conditions and the list of beneficiaries in connection with the plans agreed in 2023, 2024 and 2025 and set out in Note 4.24.

Fair value measurement

The Group measures derivative financial instruments and shares of non-consolidated entities at fair value at each reporting date and provides information on the fair value of all financial instruments.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability as part of an orderly transaction between market participants at the measurement date. The methods used to measure the fair value of financial instruments are classified according to the following three levels of fair value:

- **Level 1:** fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** fair value measured using data other than quoted prices in active markets, observable either directly (prices) or indirectly (derived data);
- **Level 3:** fair value data for the asset or liability that are not based on observable market data (unobservable inputs).

Further information is provided in Note 4.18.

Current and non-current classification

The Group presents assets and liabilities in the statement of financial position according to their classification as current/non-current.

An asset is classified as current when:

- it is expected to be realised or is intended to be sold or consumed in the normal operating cycle;
- it is held primarily for trading purposes;
- it is expected to be realised within twelve months after the reporting period; or

- it constitutes cash or a cash equivalent, unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for trading purposes;
- it is due to be settled within twelve months of the reporting period; or
- the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Revenue recognition

Revenue is recognised when control of the promised good or service (product) is transferred to a customer, in an amount reflecting the consideration to which the Group expects to be entitled in exchange for that good or service.

The Group has determined that its contracts do not include a significant financing component since the period between the payment date and the performance period for the service is less than one year. Payments received before the transfer of control of the good or service are recognised in deferred income.

The Group's revenue is classified as follows:

Cloud computing services

Revenue from the sale of cloud computing services consists of revenue related to the Private Cloud segment (including the Baremetal and Hosted Private Cloud activity) and the Public Cloud segment (including Public Cloud and Virtual Private Servers [VPS]), which are often sold with associated support services and additional services such as storage.

The provision of dedicated servers and dedicated clouds corresponds to rental components according to IFRS 16 "Leases", which are generally classified as operating leases. As a result, the lease payments are recognised on a straight-line basis over the lease term.

Almost all revenue generated under leases recognised in accordance with IFRS 16 "Leases" is derived from the Private Cloud operating segment.

Revenue from other services, outside the Private Cloud operating segment, falls within the scope of IFRS 15 "Revenue from Contracts with Customers". Revenue from other services is recognised over the life of the contract to the extent that customers simultaneously receive and consume the benefits provided by the entity's ongoing performance of the services. As its services are invoiced monthly, and the Group has the right to invoice customers at an amount representative of its performance on the invoicing date, it generally recognises revenue as the amount invoiced.

Information on the Group's activities is detailed in Note 4.1.

Web communication services

The Group provides domain name registration and hosting services.

Revenue related to domain names derives from the registration and renewal of domain names. It is recognised when ownership of the domain name is transferred to the buyer.

Revenue from hosting services mainly includes website hosting, website security and online visibility services. Payment of the price of the transaction is initially recognised in deferred income

upon receipt, generally at the time of the order. The revenue is then recognised on a straight-line basis over the period during which the performance obligations are satisfied, which generally means the period of the contract insofar as the customers simultaneously receive and consume the benefits of the services as the entity performs the contract.

Business applications

Revenue from business applications consists mainly of third-party productivity applications, email accounts, email marketing tools and telephony solutions. Payment of the price of the transaction is initially recognised in deferred income upon receipt, generally at the time of the order. The revenue is then recognised on a straight-line basis over the period during which the performance obligations are satisfied, which generally means the period of the contract insofar as the customers simultaneously receive and consume the benefits of the services as the entity performs the contract.

Definition of contracts, performance obligations and other assessments

Framework agreements have been signed with certain major customers. They generally do not include minimum purchase commitments or significant termination penalties. In addition, no significant up-front payment is made. As a result, the contracts, meaning each purchase order associated with the framework agreement, generally have a duration of less than one year and consequently, the information relating to the remaining performance obligations to be fulfilled (the order book) is not provided.

Cloud computing contracts may include several performance obligations (for example, different types of servers, support services and additional services), the contractual prices of which correspond to their individual selling prices (no material issue with the allocation of the transaction price between the different performance obligations) and which are generally recognised on an ongoing basis with a similar performance profile. Most other contracts, notably contracts related to domain names and ADSL, generally include single performance obligations.

Contract assets are not significant. Contract liabilities (deferred income) are included in other current payables and liabilities and other non-current liabilities.

The costs of obtaining contracts are not significant, nor are the costs incurred on the inception of contracts (set-up costs).

Agent/principal treatment

The accounting treatment of revenue depends on whether the Group is classified as an agent or principal.

The Group's service offering includes technologies that may be developed by third parties. The Group obtains from these third parties a right of use or access to these technologies and the related economic benefits, and may set the related sales prices. Consequently, the Group acts as principal for all its performance obligations.

Tax credits

The Group applies the treatment of public subsidies to recognise tax credits, such as the French apprenticeship tax credit, family tax credit, corporate sponsorship tax credit and research tax credit. Under this approach, tax credits are recognised when there is reasonable assurance that the assistance will be received and that the Group will meet all relevant conditions. Tax credits related to operating expenses are recorded as a reduction of the related expenses and recognised during the period in which the expenses are recognised in the income statement. Tax credits related to capital expenditure are recognised as a reduction in the cost of the corresponding assets.

Other non-current operating income and expenses

Other non-current operating income and expenses are defined as being limited in number, clearly identifiable, unusual in terms of their nature and frequency, and having a significant impact on the consolidated results, meaning that they affect the understanding of the Group's current performance.

Other non-current operating income and expenses include certain expenses related to restructuring costs approved by management, integration costs related to business combinations (in particular acquisition costs related to consulting and due diligence costs), disposal gains and losses related to changes in the scope of consolidation and certain asset disposals, non-current income and expenses directly related to the Strasbourg incident and certain costs related to the Share Buyback Offer.

Income tax

Income tax expense

The income tax expense presented in the income statement includes current and deferred tax. It is recognised in the income statement unless it is related to a business combination or items recognised directly in equity or in other comprehensive income.

Tax assets and liabilities are offset if certain criteria are met.

The CVAE (French corporate tax on added value) is recognised as income tax.

Current tax

Current tax includes the estimated amount of tax due (or receivable) in respect of taxable income for a period and any adjustment to the amount of tax payable for prior years. The amount of current tax due (or receivable) is determined on the basis of the best estimate of the amount of tax that the Group expects to pay (or receive) in view of the uncertainties that may arise. It is calculated on the basis of the tax rates that have been enacted or substantively enacted at the reporting date. The Group has two tax consolidation groups: France and the United States.

Deferred tax

Deferred taxes are recognised on the temporary differences between the carrying amounts of assets and liabilities and their tax values (subject to exceptions). They are calculated on the basis of the tax rates that have been enacted or substantively enacted at the reporting date, the application of which is expected over the period during which the assets will be realised and the liabilities settled.

Deferred tax liabilities are always recognised, subject to specific exceptions.

Deferred tax assets are recognised in respect of deductible temporary differences, unused tax losses and unused tax credits only to the extent that it is probable that the Group will have future taxable profits against which they can be offset. This assessment is made based on the business plans of each of the Group's subsidiaries (budget and medium-term plan), the probable timing and level of future taxable profits, as well as future tax planning strategies.

Uncertain tax treatments

An "uncertain tax treatment" is a tax treatment for which there is uncertainty as to whether the relevant tax authority will accept the tax treatment under tax legislation.

If the Group concludes that it is likely that the tax authority will accept an uncertain tax position, all items relating to the taxes (taxable income, tax bases, tax rates, tax losses carried forward, tax credits, taxes) will be determined in accordance with this position.

If the Group concludes that acceptance by the tax authority is not likely, this uncertainty will be included in the calculation of the items relating to the taxes and will result in the recognition of a tax liability.

This tax liability is recognised as deferred tax for the period ended 31 August 2026.

Earnings per share

Basic and diluted earnings per share are calculated as follows:

- **Basic earnings per share:** attributable net income is divided by the weighted average number of ordinary shares outstanding during the period.
The weighted average number of ordinary shares outstanding is calculated based on the number of ordinary shares outstanding, less the number of treasury shares held, at the start of the financial year, adjusted on a *pro rata* basis for shares bought back and/or issued during the period;
- **Diluted earnings per share:** attributable net income and the weighted average number of ordinary shares outstanding during the period, as used to calculate basic earnings per share, are adjusted, on a *pro rata* basis, for all potentially dilutive financial instruments, *i.e.*, (i) performance shares, and (ii) free shares until vesting.

Note 4 Notes to the consolidated financial statements

4.1 Segment information

In accordance with the provisions of IFRS 8 "Segment information" and taking the timetable decision published by the IFRS Interpretations Committee in July 2024 into account, the Group has identified three operating segments: Private Cloud, Public Cloud and Web Cloud & Other. Segment information is presented by activity.

Presentation

Private Cloud

The Private Cloud segment offers services and solutions that are hosted on resources dedicated to customers. This service offer mainly consists of:

- **Baremetal:** dedicated solution administered entirely by the customer according to their needs and without constraints because they are the only user. The uses of a Baremetal solution are multiple: big data, machine learning, hosting of websites and web applications, storage and backup, infrastructure virtualisation, server clusters, business applications (CRM, ERP) and online game hosting;
- **Hosted Private Cloud:** dedicated solution managed by the OVHcloud teams, integrating cutting-edge virtualisation and security technology that enables a technological continuum with our customers' environments. The Hosted Private Cloud offer is particularly suitable for hosting sensitive strategic data such as health or financial data.

Public Cloud

The Public Cloud segment offers a range of cloud solutions that are billed per use, based on open standards (OpenStack, Kubernetes, Object Storage, Database-as-a-Service and open virtualisation technology). Resources, such as computing power or storage, as well as the physical infrastructure that provides them, are pooled and flexible, meaning they are shared between the users of the cloud services provider and are adaptable to customer needs and instantly deployable on a large scale. These solutions are typically used for applications that can experience peaks in demand such as e-commerce, and heavily demanding applications such as video streaming, music streaming, application testing and development as well as database management covered by specific offerings.

Web Cloud & Other

OVHcloud offers its customers peripheral solutions allowing the creation and hosting of online websites such as the search for and renewal of domain names, or the creation of a site or an online store. OVHcloud also offers collaboration solutions such as professional messaging, telecommunication and texting.

This segmentation reflects the Group's internal reporting as submitted to the Chief Executive Officer, who is OVHcloud's main operational decision-maker. This reporting is used to make decisions about resources to be allocated to the segments, particularly capital expenditure, and to assess their performance.

Key performance indicators

The Group uses the following indicators to assess the performance of the operating segments presented:

- **Revenue:** as presented in the consolidated financial statements;

- **Direct costs:** direct costs include all costs directly or indirectly related to products sold. These are mainly the costs of raw materials and energy, and labour, transport and licence costs as well as payment service provider costs (for the digital sales channel). This indicator is tracked before depreciation, amortisation and impairment;
- **Gross margin:** gross margin corresponds to revenue less direct costs. This indicator is tracked before depreciation, amortisation and impairment;
- **Sales and marketing costs:** sales and marketing costs include all direct and indirect costs related to sales and marketing activities, which are mainly personnel and marketing sub-contracting expenses. This indicator is tracked before depreciation, amortisation and impairment;
- **General and administrative expenses:** general and administrative expenses include all expenses related to senior management, finance and accounting, IT, legal, HR, and technical activities. This indicator is tracked before depreciation, amortisation and impairment;
- **Current EBITDA:** this performance indicator, as presented in the consolidated financial statements, also corresponds to revenue less direct costs, sales and marketing costs and general and administrative expenses;
- **Capital expenditure (excluding acquisitions of businesses or assets):** corresponds to acquisitions of property, plant and equipment and the Group's capitalised project costs (net cash flows from investing activities excluding business acquisitions net of cash acquired).

The Group does not monitor any indicator of segment liabilities as debt is managed centrally and not at the level of the three operating segments.

(in millions of euros)	Private Cloud	Public Cloud	Web Cloud & Other	FY2026
Revenue	690.4	255.1	199.7	1,145.1
Direct costs	(216.0)	(62.3)	(96.5)	(374.9)
GROSS MARGIN	474.3	192.8	103.1	770.2
Sales and marketing costs	(67.0)	(38.8)	(12.4)	(118.2)
General and administrative expenses	(120.4)	(45.3)	(25.8)	(191.5)
CURRENT EBITDA	286.9	108.6	65.0	460.5
Capital expenditure (excluding business acquisitions)	(316.3)	(75.9)	(30.2)	(422.4)

(in millions of euros)	Private Cloud	Public Cloud	Web Cloud & Other	FY2025
Revenue	671.6	219.2	193.8	1,084.6
Direct costs	(217.1)	(62.6)	(96.0)	(375.6)
GROSS MARGIN	454.5	156.6	97.9	709.0
Sales and marketing costs	(74.2)	(32.6)	(12.0)	(118.8)
General and administrative expenses	(108.0)	(37.6)	(23.3)	(168.9)
CURRENT EBITDA	272.3	86.5	62.5	421.3
Capital expenditure (excluding business acquisitions)	(279.3)	(67.8)	(21.9)	(368.9)

In the main countries in which the Group operates, the net carrying amounts of non-current assets are as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
France	956.8	1,014.9
Europe (excl. France)	191.4	190.2
Rest of the World	383.4	428.5
TOTAL	1,531.6	1,633.7

Non-current assets mainly include property, plant and equipment and intangible assets. It should be noted that property, plant and equipment primarily corresponds to servers, which are most often shared and managed according to the needs of customers and the specific nature of the services provided to them, and not the location of the equipment. Thus, there is no correlation in a given country between the amount of non-current assets and the level of revenue or current EBITDA.

4.2 Adjusted EBITDA

In addition to current EBITDA, the Group tracks adjusted EBITDA. This alternative performance indicator corresponds to current EBITDA adjusted for (i) expenses related to share-based payments and (ii) earn-outs, thus better reflecting the Group's current operating performance (see Note 4.4).

► Reconciliation between current EBITDA and adjusted EBITDA

<i>(in millions of euros)</i>	FY2025	FY2026
CURRENT EBITDA	421.3	460.5
Equity-settled and cash-settled compensation plans	14.3	19.0
Earn-outs (Note 4.4)	2.2	1.0
ADJUSTED EBITDA	437.8	480.5

4.3 Revenue

Geographic markets

The income presented by geographical area is now based on sales revenue (breakdown of revenue based on the entity that manages the commercial relationship with the customer).

<i>(in millions of euros)</i>	FY2025	FY2026
France	520.2	550.6
Europe (excl. France)	316.8	333.0
Rest of the world	247.6	261.6
TOTAL	1,084.6	1,145.1

Revenue by product

The breakdown of revenue by product is shown below in millions of euros:

<i>(in millions of euros)</i>	FY2025	FY2026
Private Cloud	671.6	690.4
Public Cloud	219.2	255.1
Web Cloud & Other	193.8	199.7
TOTAL	1,084.6	1,145.1

Almost all revenue generated under leases recognised in accordance with IFRS 16 "Leases" is derived from the Private Cloud operating segment. Revenue from other services, outside the Private Cloud operating segment, falls within the scope of IFRS 15 "Revenue from Contracts with Customers".

4.4 Personnel expenses

<i>(in millions of euros)</i>	FY2025	FY2026
Wages and salaries	(184.1)	(196.9)
Social security contributions	(65.6)	(70.6)
Earn-outs	(2.2)	(1.0)
Share-based payments	(14.3)	(19.0)
Tax credits relating to personnel expenses	4.3	5.1
PERSONNEL EXPENSES	(261.9)	(282.3)

The change in expenses relating to share-based payments arises mainly from the introduction of a new performance share plan granted on 18 December 2025, and the full-year effect of the performance share plan granted in 2025.

At 31 August 2026, expenses related to share-based payments included the performance share plan for an amount of €19 million (€14.3 million at 31 August 2025), including the benefit granted to employees in connection with the "Employee Share Plan" for an amount of €1.6 million (€1.5 million at 31 August 2025), offset by a net gain of €1.4 million related to the unwinding of the Employee Share Plan 2025.

At 31 August 2026, the €1 million earn-out is related to two purchase agreements:

- Gridscale for €0.4 million (€2.2 million at 31 August 2025)
- Gladia for €0.5 million (acquired on 31 July 2026)

The "Tax credits relating to personnel expenses" item includes, in France, a Research Tax Credit of €4.1 million at 31 August 2026 (€3.8 million at 31 August 2025).

The Group's average headcount breaks down as follows:

	FY2025	FY2026
France	2,114	2,235
Europe (excl. France)	367	420
Rest of the world	593	536
TOTAL	3,074	3,191

4.5 Operating expenses

<i>(in millions of euros)</i>	FY2025	FY2026
Purchases consumed	(211.2)	(226.0)
External expenses	(166.5)	(162.1)
Taxes and duties	(11.7)	(11.1)
Impairment of trade receivables and other current assets and other provisions	(11.9)	(3.1)
OPERATING EXPENSES	(401.4)	(402.3)

The item "Purchases consumed" mainly includes purchases of supplies or services, licenses or subscriptions to third party technologies and domain names included in offers proposed to customers, as well as energy costs.

Reversals of impairment losses impact the "Impairment of trade receivables and other current assets and other provisions" item for an amount of €6.5 million, related to licensing contracts.

<i>(in millions of euros)</i>	FY2025	FY2026
Professional fees	(37.7)	(37.3)
Lease expenses	(29.9)	(30.5)
Advertising	(20.2)	(19.7)
Maintenance	(20.4)	(21.0)
Other external expenses	(16.2)	(12.2)
Bank fees	(13.3)	(14.9)
Travel costs and expenses	(11.4)	(11.2)
Subcontracting	(8.8)	(9.7)
Insurance expenses	(8.5)	(5.7)
EXTERNAL EXPENSES	(166.5)	(162.1)

Lease expenses included in “external expenses” represent the portion of lease payments not recognised in accordance with IFRS 16 “Leases” (services portion included in lease payments, in particular for points of presence (POP) and datacenters, leases with low-value underlying assets and/or assets with a lease term of less than 12 months and for which OVHcloud can rapidly disengage without financial or economic constraints).

4.6 Depreciation and amortization expenses

<i>(in millions of euros)</i>	FY2025	FY2026
Amortisation and impairment of intangible assets (including scrapping)	(69.8)	(75.0)
Depreciation of right-of-use assets	(36.1)	(36.1)
Depreciation and impairment of property, plant and equipment (including scrapping)	(248.5)	(267.2)
DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES	(354.4)	(378.3)

The year-on-year increase in amortisation expenses for intangible assets is mainly due to the commissioning of development projects that took place at the end of FY2025 and during FY2026.

4.7 Other non-current operating income and expenses

<i>(in millions of euros)</i>	FY2025	FY2026
Net proceeds from asset disposals	5.7	(5.8)
Other non-current operating income	5.7	(5.8)
Claim costs	0.3	5.0
Costs related to the Share Buyback Offer	(2.1)	-
Other expenses	(0.8)	(0.6)
Acquisition costs	(0.5)	(3.0)
Other non-current operating expenses	(3.1)	1.4
OTHER NON-CURRENT OPERATING INCOME AND EXPENSES	2.6	(4.4)

Other non-current operating income

At 31 August 2026, the net income from asset disposals amounted to €(5.8) million and is explained by the disposal of non-current assets over the period.

Net claim costs

Net claim costs correspond to the non-current costs directly incurred as a result of the Strasbourg incident. A provision covering the lawsuits for the liability claims filed by certain customers was the subject of a reversal during the period (see Note 4.21).

Acquisition costs

The increase in acquisition costs is connected to integrating the Seald, OVH LLM and Gladia entities during the period.

4.8 Net finance income (expense)

<i>(in millions of euros)</i>	FY2025	FY2026
Interest expenses	(53.7)	(58.2)
Borrowing costs	(53.7)	(58.2)
Foreign exchange gains	6.8	19.6
Other financial income (including interest income)	3.4	2.1
Other financial income	10.2	21.8
Foreign exchange losses	(19.0)	(17.2)
Other interest expenses	(2.5)	(3.5)
Other financial expenses	(21.6)	(20.8)
NET FINANCE INCOME (EXPENSE)	(65.1)	(57.2)

Net finance income (expense) includes borrowing costs, income from cash management and other financial income and expenses (including foreign exchange gains and losses and bank fees).

At 31 August 2026 and 2025, foreign exchange gains and losses mainly originated from currency effects related to payment service providers, US dollar positions held by the parent company and positions in Group entities with a different operating currency (Asia-Pacific, Poland and Canada).

Borrowing costs include interest expenses related to borrowings, financial liabilities, borrowing costs spread across the period and, to a lesser extent, lease liabilities.

The increase in borrowing costs for the period ended 31 August 2026 was chiefly due to the acceleration in the spread of borrowing costs and the increase in interest in relation to the refinancing which occurred during the previous period.

See Note 4.17 for more information on gross debt.

4.9 Income tax

The main components of the income tax expense for the periods ended 31 August 2025 and 2026 are as follows:

Income tax (expense)/benefit recognised in the income statement

<i>(in millions of euros)</i>	FY2025	FY2026
Current taxes	(8.8)	(6.7)
• On income	(6.4)	(5.0)
• On French company added value contribution (CVAE)	(1.3)	(1.7)
Deferred tax	4.9	(4.5)
INCOME TAX (EXPENSE)/BENEFIT RECOGNISED IN THE INCOME STATEMENT	(3.9)	(11.2)

Income tax (expense)/benefit recognised in other comprehensive income

<i>(in millions of euros)</i>	FY2025	FY2026
Deferred tax on changes in the fair value of cash flow hedging instruments	2.0	(0.8)
Deferred tax on remeasurement of the liability for defined benefit plans (actuarial gains and losses)	0.1	(0.0)
INCOME TAX (EXPENSE)/BENEFIT RECOGNISED IN OTHER COMPREHENSIVE INCOME	2.1	(0.8)

Statement of financial position

Movements in net deferred tax in the consolidated statement of financial position break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Deferred tax assets	17.3	19.9
Deferred tax liabilities	(13.7)	(8.7)
1 SEPTEMBER	3.6	11.2
Recognised in the income statement	4.9	(4.5)
Recognised in other comprehensive income (equity)	2.1	(0.8)
Transfers	-	(0.4)
Other movements	0.1	0.3
Translation differences	0.5	0.0
31 AUGUST	11.2	5.6
Deferred tax assets	19.9	15.5
Deferred tax liabilities	(8.7)	(9.9)

Net deferred tax by type of temporary differences

<i>(in millions of euros)</i>	FY2025	FY2026
Leases	1.2	0.9
Tax losses carried forward	13.0	12.3
Defined benefit obligations	0.9	1.2
Non-deductible provisions	6.5	3.9
Other temporary differences	4.6	2.2
Offset of deferred taxes	(6.3)	(5.1)
DEFERRED TAX ASSETS	19.9	15.5

<i>(in millions of euros)</i>	FY2025	FY2026
Non-current assets remeasured in the context of business combinations	4.0	2.6
Depreciation, amortisation and impairment (differences in depreciation/amortisation rates)	10.2	10.8
Deferred recognition of insurance claim indemnity ⁽¹⁾	-	-
Remeasurement of financial instruments including derivatives	0.3	1.1
Tax risks	0.3	0.3
Other temporary differences	0.2	0.1
Offset of deferred taxes	(6.3)	(5.1)
DEFERRED TAX LIABILITIES	8.7	9.9

⁽¹⁾ Provision of the French General Tax Code relating to the deferred recognition of insurance claim indemnities.

Reconciliation of the income tax expense in respect of FY2025 and FY2026

(in millions of euros)

	FY2025	FY2026
Profit (loss) before tax	4.4	20.6
Tax rate in France	25.83%	25.83%
THEORETICAL INCOME TAX BENEFIT/(EXPENSE)	(1.1)	(5.3)
Differences in tax rates between countries	0.3	0.4
Reconciliation with the effective rate:	(3.1)	(6.3)
Net impact of permanent differences ⁽¹⁾	(4.4)	(8.0)
Deferred tax assets recognised in respect of previously unrecognised tax losses carried forward	1.3	0.1
Use of tax losses carried forward	(0.9)	2.9
Deferred tax assets unrecognised on temporary differences and tax losses carried forward ⁽²⁾	1.2	0.2
Tax credits (research tax credit and withholding tax) ⁽³⁾	2.0	1.4
French Company Added Value Contribution (CVAE)	(1.0)	(1.3)
Other items (IFRIC 23 and adjustments after the reporting date)	(1.3)	(1.6)
EFFECTIVE INCOME TAX BENEFIT/(EXPENSE)	(3.9)	(11.2)

(1) Mainly corresponding to the non-deductibility of certain expenses, notably including expenses related to share-based payments and earn-outs.

(2) Includes tax losses against which no deferred tax assets have been recognised.

(3) As tax credits recognised in EBITDA are not taxable, the mechanically calculated income tax expense constitutes a reconciliation item.

The Group used part of its tax loss carryforwards generated in previous years.

The application of Pillar Two rules in the various jurisdictions in which the Group operates has no impact on the Group's consolidated financial statements at 31 August 2026.

4.10 Intangible assets

Goodwill

(in millions of euros)

	FY2025	FY2026
GROSS VALUES		
At 1 September	61.0	60.4
Changes in scope	0.0	30.2
Transfers		-
Translation differences	(0.6)	0.1
At the reporting date	60.4	90.7
IMPAIRMENT		
At 1 September	(1.3)	(1.3)
At the reporting date	(1.3)	(1.3)
NET VALUES	59.1	89.4

At 31 August 2026, the gross value of Goodwill consisted of the following Goodwill: GLADIA (company acquired on 31 July 2026) for a provisional amount of €23.9 million; OVH LLM (company acquired on 25 March 2026) for a provisional amount of €6.3 million; Gridscale (acquired on 4 September 2023) for €16 million; ForePaaS (company acquired on 20 April 2022) for €14.2 million; BuyDRM (company acquired in 2021) for €8 million; OPENIO (company acquired in 2020) for €18.5 million and Exten (company acquired in 2020) for €3.6 million.

The Goodwill relating to Gladia and OVH LLM was provisionally calculated. At the reporting date, the Group is in the process of identifying and measuring the acquired assets and assumed liabilities at fair value. At this stage, the identifiable assets acquired and liabilities assumed have been recognised at their net carrying amount in the accounts of the acquired companies as at the acquisition date. The first consolidation in OVHcloud's financial statements of the assets and liabilities of the 3 entities taken over has no material impact on any of the aggregates of the OVHcloud financial statements concerned. The work to allocate the purchase price, which will be carried out within 12 months of the acquisition date as required by IFRS 3. The resulting adjustments will be recognised retrospectively as an offset to goodwill.

Other intangible assets

(in millions of euros)

	Capitalised development costs	IP blocks	Other intangible assets	Total
GROSS VALUES				
1 September 2024	298.3	59.5	70.2	428.1
Increases	71.1	-	1.4	72.5
Decreases	(0.3)	-	0.2	(0.1)
Changes in scope	-	-	-	-
Transfers	11.0	(5.9)	(5.3)	(0.2)
Other movements	-	(0.2)	(0.0)	(0.2)
Translation differences	(0.0)	(0.2)	(0.9)	(1.1)
31 August 2025	380.1	53.3	65.6	499.0
Increases	73.6	1.4	0.3	75.3
Decreases	(10.5)	-	-	(10.5)
Changes in scope	5.4	-	13.5	19.0
Transfers	-	-	-	-
Other movements	(1.3)	-	3.4	2.2
Translation differences	-	0.1	-	0.1
31 August 2026	447.4	54.8	82.9	585
DEPRECIATION AND IMPAIRMENT				
1 September 2024	(102.5)	(6.3)	(24.1)	(133.0)
Depreciation and impairment	(60.3)	-	(9.4)	(69.7)
Decreases	-	-	-	-
Changes in scope	-	-	-	-
Transfers	2.9	6.4	(9.1)	0.2
Other movements	0.1	-	-	0.1
Translation differences	-	(0.0)	0.8	0.7
31 AUGUST 2025	(159.8)	(0.0)	(41.8)	(201.6)
Depreciation and impairment	(66.0)	(8.5)	(0.4)	(74.9)
Decreases	7.6	-	-	7.6
Changes in scope	(3.5)	-	(8.4)	(11.9)
Transfers	-	-	-	-
Other movements	(0.4)	-	(1.8)	(2.2)
Translation differences	(0.1)	-	-	(0.1)
31 AUGUST 2026	(222.1)	(8.6)	(52.4)	(283.1)
NET VALUES				
1 September 2024	195.8	53.2	46.1	295.1
31 August 2025	220.3	53.3	23.9	297.4
31 AUGUST 2026	225.3	46.2	30.5	302.0

OVHcloud's total research and development expenses in FY2026 amounted to €163.3 million and included €75 million in capitalised costs (€71.1 million were capitalised during FY2025). These capitalised costs, which meet the criteria of IAS 38 "Intangible Assets", are fundamental for the development, manufacture, implementation and marketing of new or continuously improving technologies and software.

Of the capitalised costs at 31 August 2026, €50.9 million correspond to internal costs (personnel costs) (€48 million at 31 August 2025), and €16.6 million to external costs (software, services) (€23 million at 31 August 2025).

Capitalised internal costs mainly related to IT systems overhaul projects for €20 million (€21.1 million at 31 August 2025), including the implementation by the Group of performance monitoring software, and projects to develop new services for customers for €27.7 million (€24.8 million at 31 August 2025).

4.11 Property, plant and equipment

<i>(in millions of euros)</i>	Land	Buildings and fixtures and fittings	Technical facilities, plant and equipment, and sundry fittings	IT equipment	Right-of-use assets	Property, plant and equipment under construction	Total
GROSS VALUES							
1 September 2024	14.7	48.4	612.2	1,368.1	217.6	208.8	2,469.9
Increases	(0.0)	(0.2)	16.1	267.6	42.2	13.0	338.6
Decreases	(0.3)	(3.4)	(0.7)	(16.4)	(20.3)	(2.5)	(43.6)
Changes in scope	-	-	-	-	-	-	-
Other movements (including transfers)	-	0.9	36.4	(70.4)	-	(32.1)	(65.2)
Translation differences	(0.6)	(1.5)	(10.6)	(25.0)	(5.4)	(4.2)	(47.3)
31 August 2025	13.8	44.1	653.4	1,524.0	234.2	183.0	2,652.4
Increases	-	0.5	9.1	280.9	30.7	77.0	398.1
Decreases	-	-	(0.8)	(126.9)	(6.9)	(1.6)	(136.1)
Other movements (including transfers)	0.8	2.4	38.8	(36.3)	0.8	(31.1)	(24.9)
Translation differences	0.1	0.1	0.6	1.6	1.5	(0.2)	3.7
31 AUGUST 2026	14.6	47.1	701.1	1,643.2	260.2	227.1	2,893.3
DEPRECIATION AND IMPAIRMENT							
1 September 2024	(1.8)	(16.1)	(324.5)	(913.0)	(82.0)	(24.4)	(1,361.8)
Depreciation and impairment	(0.3)	(2.4)	(49.0)	(192.9)	(36.1)	(3.7)	(284.5)
Decreases	-	2.2	0.1	16.6	15.2	-	34.1
Other movements (including transfers)	-	1.0	0.3	49.6	1.6	12.3	64.7
Translation differences	0.0	0.5	3.8	16.5	2.1	0.4	23.3
31 August 2025	(2.0)	(14.7)	(369.4)	(1,023.2)	(99.3)	(15.5)	(1,524.2)
Depreciation and impairment	(0.1)	(2.4)	(52.3)	(201.6)	(36.1)	(11.0)	(303.5)
Decreases	-	0.1	0.4	104.6	5.2	0.6	111.0
Other movements (including transfers)	-	-	-	19.4	-	6.5	25.9
Translation differences	(0.1)	-	-	(1.2)	(0.5)	-	(1.8)
31 AUGUST 2026	(2.1)	(17.1)	(421.2)	(1,102.0)	(130.7)	(19.4)	(1,692.5)
NET VALUES							
1 September 2024	13.0	32.3	287.7	455.1	135.6	184.4	1,108.1
31 August 2025	11.8	29.4	284.0	500.8	134.9	167.4	1,128.2
31 AUGUST 2026	12.6	30.0	279.9	541.1	129.5	207.6	1,200.7

Land and buildings

Land and buildings with a carrying amount of €42.5 million at 31 August 2026 (€41.2 million at 31 August 2025) mainly comprise datacenters and related land.

Technical facilities, plant and equipment, and sundry fittings

Machinery, equipment and sundry fittings with a carrying amount of €279.9 million at 31 August 2026 (€284 million at 31 August 2025) mainly comprise (i) industrial production lines (OVHcloud produces the IT servers used to provide Private and Public Cloud services to its customers), including the technical installations required for the treatment of electricity, water cooling, and network connections, and (ii) fitting work carried out. The variance is mainly due to an analysis of assets that has led to the reclassification of tangible fixed assets as computer equipment.

IT equipment

IT equipment with a carrying amount of €541.1 million at 31 August 2026 (€500.8 million at 31 August 2025) mainly comprises (i) IT servers once commissioned and (ii) equipment required for the installation of IT networks.

Right-of-use assets

Right-of-use assets for a net carrying amount of €129.5 million at 31 August 2026 (€134.9 million at 31 August 2025) mainly comprise leases on offices and housing, datacenters and points of presence (POP).

Property, plant and equipment under construction

Property, plant, and equipment under construction mainly represents production costs for servers and networks, and the fitting-out of buildings.

4.12 CGU impairment tests

As part of the measurement of the value of goodwill, an impairment test was carried out at 31 August 2026, by applying the procedure set up by the Group.

The result of these impairment tests did not lead to the recognition of any impairment losses at 31 August 2026.

The main assumptions used to estimate the value in use of each CGU are as follows:

(% per CGU)	FY2025	FY2026
BAREMETAL		
Discount rate	8.7%	7.9%
Perpetual growth rate	2.6%	2.2%
HOSTED PRIVATE CLOUD		
Discount rate	10.9%	11.1%
Perpetual growth rate	2.3%	2.3%
PUBLIC CLOUD		
Discount rate	10.9%	11.1%
Perpetual growth rate	2.3%	2.3%
WEB CLOUD		
Discount rate	10.8%	10.7%
Perpetual growth rate	1.5%	1.7%

The revenue, recurring EBITDA and recurring Capex targets for the model, covering the first seven years of the model prior to the normalised year, take into account:

- growth scenarios for the global cloud market (in line with the forecasts of independent external organisations, which is driven by the exponential growth in data usage, and the increasing adoption of hybrid and multi-cloud strategies by enterprises) and;
- the Group's specific operating projections.

The Group has selected a seven year cash flow projection period to reflect the expected trajectory of the business until it reaches a normalised level after the 2033 financial year. This seven-year flow projection includes the 2027 budget, approved by the Board of Directors, and the detailed business plan (until the 2029 financial year). The four years of extrapolation reflect the expected trajectory towards a stabilised level of business activity.

In addition, an analysis of the sensitivity of the calculation to a combined change in the following inputs did not show that any of the CGUs' recoverable amounts would be lower than their carrying amounts:

- +/- 100 basis points for the discount rate or PGR,
- +/- 100 basis points for the recurring capex rate, to take the variability of component prices and changes in uses into account.

Lastly over the past several periods, the Group has put in place a number of measures aimed at mitigating the effects of its activities on the environment by changing certain choices in terms of investments related to its business, particularly in terms of energy and water consumption. The inclusion of these measures in the model used to calculate the recoverable amount of the CGUs did not have a material impact on their recoverable amount.

4.13 Non-current financial assets

Loans, securities, and other financial assets correspond to deposits and guarantees paid in connection with the leases of operating properties.

Non-current financial assets amounted to €2.2 million at 31 August 2026, and have not changed materially since 31 August 2025.

4.14 Trade receivables

Trade receivables break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Trade receivables	74.4	84.1
Impairment of trade receivables	(37.4)	(36.3)
Contract assets	16.1	21.4
CUSTOMERS	53.2	69.2

Impairment of trade receivables breaks down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
At 1 September	(31.2)	(37.4)
Additions	(8.1)	(8.1)
Reversals	1.1	9.7
Other movements	(0.1)	(0.5)
Translation differences	0.9	(0.0)
31 AUGUST	(37.4)	(36.3)

The age of the receivables, after taking into account impairment, is as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Net trade receivables	53.2	69.2
Not past due	37.8	45.8
< 30 days	7.2	15.0
> 30 days and < 90 days	5.0	4.6
> 90 days	3.2	3.8

4.15 Other receivables and current assets

Other receivables and current assets break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Supplier prepayments	7.2	12.1
Tax receivables (excluding current tax)	21.0	31.6
Prepaid expenses	43.6	37.9
Other receivables	2.2	2.7
OTHER RECEIVABLES AND CURRENT ASSETS	74.0	84.3

Tax receivables notably include VAT for €17.1 million (€17.1 million at 31 August 2025) and a Research Tax Credit of €9.4 million at 31 August 2026 (€5.1 million at 31 August 2025). The change is due to the reclassification of Research Tax Credit receivables that can be claimed in over 12 months as other non-current receivables. In addition, the change in prepaid expenses is due to licence purchases over the period.

Movements in trade receivables and other receivables are explained below:

(in millions of euros)	FY2025	FY2026
Trade receivables	53.2	69.2
Other receivables and current assets ⁽¹⁾	74.0	84.3
Non-current research tax credit receivables ⁽¹⁾	22.4	19.6
TOTAL TRADE RECEIVABLES AND OTHER CURRENT ASSETS AND RECEIVABLES	149.6	173.1
Changes in net operating and other receivables reported in the financial statements	16.2	23.5
Exchange rates and other	(5.5)	41.9
Changes in net operating receivables and other receivables presented in the cash flow statement	(10.7)	(65.4)

(1) Reclassification of the non-current portion of the research tax credit

4.16 Share capital

Share capital at 31 August 2026

At the reporting date, OVH Groupe's share capital consisted of 153,458,722 shares of €1, following a capital increase of 1,807,186 shares on 31 July 2026.

Dividend

The Group did not declare or pay any dividends during FY2023, FY2024, FY2025 or FY2026.

The following table presents a summary of the Group's net and gross debt:

(in millions of euros)	FY2025	FY2026
Non-current financial liabilities	1,133.4	1,136.9
Current financial liabilities	11.3	75.0
GROSS DEBT (EXCLUDING LEASE LIABILITIES)	1,144.7	1,211.9
Cash and cash equivalents	(41.9)	(55.3)
NET DEBT	1,102.8	1,156.6
Lease liabilities	150.9	144.3
NET DEBT (INCLUDING LEASE LIABILITIES)	1,253.7	1,300.8

Debt structure

The Group's main liabilities now comprise:

- €500 million in senior unsecured bonds at a fixed rate of 4.75%, maturing in 2031, issued in February 2025. This inaugural issue will enable OVHcloud to diversify its sources of financing and refinance part of the Group's existing debt;
- a Green Loan of €450 million maturing in 2030, obtained following compliance with all the substantial contribution criteria for climate change mitigation for the data processing, hosting and related activities category, as well as the Do No Significant Harm ("DNSH") principles and the minimum safeguards;
- a multi-purpose drawable credit facility for €200 million (not yet drawn down), entered into on 16 January 2025 and maturing in 2030. On 17 February 2026, the Group signed an amendment to index the interest rate to ESG objectives. This amendment does not change the drawing conditions or maturity;
- a drawable "Money Market" bank credit facility of €20 million (undrawn at 31 August 2026), concluded on 6 June 2024;
- financing dedicated to anticipated supplies: the Group set up exceptional financing during the period dedicated to the early acquisition of memory and disk components intended for investments in FY2027, in order to guarantee their availability and control their costs. As of 31 August 2026, this financing had been drawn down for €49.5 million. This debt was fully repaid by 28 September 2026.
- as well as a historical loan of €200 million from the European Investment Bank, signed at the end of 2022.
- Other borrowings mainly correspond to a licence payment commitment financed by a financial institution.

The Group will continue to evaluate opportunities to optimise its capital structure. This may involve public or private capital markets transactions, bank loans or other financing instruments issued or borrowed by the Group or its affiliates. At any time and from time to time, the Group may seek to retire or purchase its outstanding bond through cash purchases and/or exchanges for equity or debt in open-market purchases, or privately negotiated transactions. Such repurchases or exchanges, if any, will be upon

such terms and at such prices as the Group may determine, and will depend on prevailing market conditions, the Group's liquidity requirements and contractual restrictions. The amounts involved may be material.

The amount of debt maturities payable over the next 12 months concern the loan from the European Investment Bank and amount to €16.7 million.

Breakdown and movement of debt

(in millions of euros)	Type of facility	Issue date	Final maturity	Interest rate	Notional or maximum amount	FY2025	Change in scope	Repay-ment	Transaction costs	Increase	Restate-ment	FY2026
Senior debt						932.7	-	-	3.7	-	-	936.4
Term loan	Maturity	16/01/2025	16/01/2030	Euribor + 2.25% margin	450	450.0						450.0
Revolving credit facility	Renewable	16/01/2025	16/01/2030	Euribor + 1.75% margin	200	-						-
Bonds	Maturity	05/02/2025	05/02/2031	4.75%	500	500.0						500.0
Transaction costs	N/A	N/A	N/A	N/A	N/A	(17.3)			3.7			(13.6)
Credit facility (EIB)						199.8	-	-	0.0	-	-	199.8
Credit facility (EIB)	Maturity	08/11/2022	08/11/2031	3.703% 3.814%	200	200.0						200.0
Transaction costs	N/A	N/A	N/A	N/A	N/A	(0.2)						(0.2)
Other borrowings						12.1	0.6	-	-	63.0		75.8
Financing dedicated to advance supplies	Renewable	02/06/2026	01/07/2027	Euribor + 2.25% margin	50			-		49.5		49.5
Accrued interest not yet due						8.9				0.6		9.4
Other borrowings	N/A	N/A	N/A	N/A	N/A	3.3	0.6	(25.1)		38.1		16.9
TOTAL DEBT ⁽¹⁾						1,144.7	0.6	(25.1)	3.7	88.1		1,211.9

(1) All of the Group's debt is denominated in euros.

4.18 Financial instruments

Classification of financial instruments

Financial assets and liabilities are classified as follows:

(in millions of euros)	Notes	Accounting category	Level in the fair value hierarchy	FY2025		FY2026	
				Total net carrying amount	Fair value	Total net carrying amount	Fair value
Loans and guarantees and other financial assets	2	Amortised cost	Level 2	2.0	24.3	2.0	2.0
Other non-current receivables	1	Amortised cost		24.3	22.4	19.6	19.6
Non-current derivative financial assets	7	Hedging instruments	Level 2	2.5	2.5	4.4	4.4
Non-consolidated equity investments	3	Fair value through profit or loss	Level 3	0.1	0.1	0.1	0.1
Total non-current financial assets				27.0	-	26.1	-
Customers	1	Amortised cost		53.2	53.2	69.2	69.2
Current derivative financial assets	7	Hedging instruments	Level 2	0.0	0.0	0.1	0.1
Cash and cash equivalents	1	Amortised cost		41.9	41.9	55.3	55.3
Total current financial assets				95.0	-	124.6	-
TOTAL FINANCIAL ASSETS				122.0	-	150.7	-
Debt (excluding lease liabilities)	5	Amortised cost	Level 2	1,133.3	1,133.3	1,137.0	1,137.0
Lease liabilities	4	Amortised cost		117.5	117.5	107.3	107.3
Non-current derivative financial liabilities	7	Hedging instruments	Level 2	1.2	1.2	0.1	0.1
		Fair value through profit or loss or hedging instruments					
Other non-current financial liabilities	6		Level 2	12.9	12.9	15.8	15.8
Total non-current financial liabilities				1,264.9	-	1,260.1	-
Debt (excluding lease liabilities)	4	Amortised cost	Level 2	11.3	11.3	75.0	75.0
Lease liabilities	4	Amortised cost		33.4		37.0	
Trade payables	1	Amortised cost		116.5	116.5	118.6	118.6
		Fair value through profit or loss or hedging instruments					
Derivatives	6		Level 2	0.3	0.3	0.2	0.2
Total current financial liabilities				161.4	-	230.7	-
TOTAL FINANCIAL LIABILITIES				1,426.4	-	1,490.9	-

Note 1 - The net carrying amount of non-derivative current financial assets and liabilities is considered as an approximation of their fair value.

Note 2 - The difference between the net carrying amount and the fair value of loans and guarantees in non-current financial assets and security deposits in non-current financial liabilities is not considered significant.

Note 3 - The fair value of non-consolidated equity investments is not significant.

Note 4 - As permitted by IFRS, the fair value of lease liabilities and their level in the fair value hierarchy are not provided.

Note 5 - The fair value of borrowings and financial liabilities has been estimated using the discounted future cash flow method.

Note 6 - Derivatives are measured at their fair value in the statement of financial position. Fair value is based on market data and commonly used valuation models. It can be confirmed in the case of complex instruments by reference to securities listed by independent financial institutions. The changes in the fair value of these instruments are recorded in the income statement.

Note 7 - Derivative financial assets are measured at their fair value in the statement of financial position. Interest rate swaps were recognised in non-current derivative financial assets at 31 August 2026.

4.19 Derivatives

The Group's risk management strategy and its application in terms of risk management are explained in Note 4.20.

The Group is exposed to fluctuations in the Euribor rate on the term loan (€450 million), on part of the loan from the EIB (€40 million subject to the Euribor rate, €160 million at the fixed rate) and on the financing dedicated to advance supplies (€49.5 million), i.e. a total of €539.5 million in FY2026.

The Group's risk management focuses on the unpredictability of financial markets and seeks to minimise the potential negative effects of these risks on its financial performance.

In order to limit the risk from interest rate fluctuations on the cost of its €450 million term loan and its €40 million loan from the EIB, the Group has set up interest rate swaps (interest rate swaps and

collar, exchanging the floating rate of the term loan for fixed rates or within a range), which break down as follows:

- €325 million maturing on 30 September 2026;
- €125 million set up in December 2025, maturing on 31 December 2029;
- €125 million set up in April 2026, with a start date of 30 September 2026 and maturing on 31 December 2029.

At 31 August 2026, the net fair value of the interest rate swaps and a collar amounts to €4.3 million (€4.4 million recorded as an asset and €(0.1) million recorded as a liability), and is recognised in other comprehensive income (€1.3 million at 31 August 2025). The fair value of currency swaps amounted to (€0.1) million ((€0.3) million at 31 August 2025).

► Fair value of hedging instruments

(in millions of euros)

	FY2025	FY2026
Derivatives - assets	2.5	4.4
Derivatives - liabilities	1.5	0.3

4.20 Risk management

Financial risk management

The Group is exposed to foreign exchange risk, interest rate risk, credit risk, liquidity risk and raw material risk.

The Group's risk management focuses on the unpredictability of financial markets and seeks to minimise the potential negative effects of these risks on its financial performance. The Group may use derivative financial instruments to hedge certain exposures to these risks.

Foreign exchange risk management

The Group's international activities generate flows in many currencies. In order to mitigate exposure to foreign exchange risk, the Group uses forward currency contracts to hedge:

- Purchases of components and non-current assets in US dollars. These transactions are highly probable and may be designated as hedged items. The Group enters into forward currency contracts to hedge the cost of non-current assets against foreign exchange risk and qualifies these transactions as cash flow hedges. Forward currency contract balances vary depending on the level of expected investments in US dollars. Changes in the projected amount of cash flows for hedged items and hedging contracts may be a source of ineffectiveness;
- Financial assets and liabilities in foreign currencies: in the context of intra-group financing, financing facilities are set up between the parent company whose functional currency is the euro, and subsidiaries whose functional currency is a foreign currency. In order to centralise the foreign exchange risk, the financing is set up in the functional currency of the subsidiary. This financing may generate an exposure to foreign exchange risk that is not eliminated in the consolidated financial statements. The Group therefore uses cross-currency swaps to hedge its exposure to foreign exchange risk linked to the nominal amount and interest on the financing. Currency swaps are not qualified as hedging instruments under IFRS. The Group classifies certain intra-group financing as net investments in foreign operations. In this case, remeasurement gains and losses linked to changes in exchange rates are recognised in other comprehensive income.

In addition, the Group centralises cash surpluses and cash requirements in currencies other than the euro for the Group's subsidiaries. The risk related to non-euro current accounts between the central treasury department and the subsidiaries is hedged by short-term currency swaps. These swaps do not qualify as hedges.

The Group has limited the hedging derivatives used to currency swaps and forward currency contracts.

All fair values of derivatives are measured using significant observable data (level 2).

Translation differences

The change in translation differences recognised in other comprehensive income corresponds to an unrealised foreign exchange loss of €0.5 million in FY2026 (unrealised loss of €10.6 million for FY2025) which mainly reflects currency effects related to payment service providers and US dollar positions held by parent company and Group entities with a different operating currency (Asia Pacific, Poland and Canada).

Effect of cash flow hedges on the income statement and other comprehensive income

For purchases in US dollars, OVHcloud recognises expenses in US dollars included in the price of the non-current asset at the hedging rate. The effective portion of the hedging instrument, qualified as a cash flow hedge and initially recognised in other comprehensive income, is recycled from the cash flow hedging reserve to non-current assets. The effect of hedging instruments is then recycled to profit or loss based on the amortisation and impairment of these non-current assets over the estimated useful life of the equipment.

Sensitivity of foreign exchange rates

A change in exchange rates would have impacted consolidated equity or net income, due to the hedging strategies, as follows:

- Future acquisitions of non-current assets in US dollars: the hedging instruments used in these hedging strategies are considered as 100% effective. The effects on other comprehensive income of a 10% change in the US dollar spot rate at the reporting date would not have generated any impact in FY2025 or FY2026;
- Financial assets and liabilities denominated in foreign currencies and cash pooling: assets and liabilities denominated in foreign currencies resulting from the financing of non-euro subsidiaries generate currency effects that are not eliminated in the consolidated financial statements. The effects of derivatives in foreign currencies offset these changes in the financial statements. A change in the spot rate applied to these hedging strategies would therefore have no impact on consolidated net income or equity.

Sensitivity analysis

A quantitative sensitivity analysis at 31 August shows that changes in interest rates would result in the following additional expenses in the income statement:

(in millions of euros)

	FY2025	FY2026
Euribor interest rate fluctuation assumptions		
+100 basis points	0.4	0.3
-100 basis points	(0.4)	(0.3)

Liquidity risk management

Liquidity risk is the risk to which the Group is exposed if it experiences difficulties in meeting its obligations relating to financial liabilities that will be settled by remitting cash or other financial assets. The Group's target in managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to honour its liabilities when they fall due without incurring unacceptable losses or adversely affecting its reputation.

The Green Loan, RCF and the European Investment Bank (EIB) financing are subject to compliance, on 28 February and 31 August, to a maximum Leverage Ratio of 4.0x (4.50x in 2026,

Interest rate risk management

As part of the refinancing operation, the Group restructured its debt and is now exposed to changes in the Euribor rate on its new term loan (€450 million) and on part of the loan from the EIB (€40 million subject to the Euribor rate, €160 million at a fixed rate), i.e., a total amount of €490 million at 31 August 2026.

In order to limit the risk due to interest rate fluctuations on the cost of its €450 million term loan and its €40 million loan from the EIB, the Group set up interest rate swaps (interest rate swaps and collar, exchanging the variable rate on a fixed-term loan for fixed rates or within a range), for a total notional amount of €500 million which breakdown as follows:

- €325 million maturing on 30 September 2026;
- €125 million set up in December 2025, maturing on 31 December 2029;
- €125 million set up in April 2026, with a start date of 30 September 2026 and maturing on 31 December 2029.

4.25x in 2027 for Green Loan and RCF), corresponding to the net financial debt (net debt excluding lease liabilities) compared to restated EBITDA (according to the definition of the contracts) at the consolidated group level. Regarding the Green Loan, the level of this ratio determines the margin on the applicable interest rate, which may also be adjusted by +/-5 basis points (0.05%) depending on the achievement of two carbon emission reduction targets on scopes 1, 2 (K1) and 3 (K2).

The available resources enable the Group to manage its liquidity risk (cash and available bank credit facilities).

The table below shows the residual contractual maturities of the Group's financial liabilities, including interest payments:

(in millions of euros)	FY2026		< 1 year	> 1 year < 5 years	> 5 years
	Carrying amount	Contractual flows			
Bond	495.6	607.0	23.8	95.1	488.2
Term loan	446.5	521.9	20.7	501.1	-
Credit facility (EIB)	204.1	229.5	24.1	153	52.4
Other borrowings	65.9	67.9	66.6	0.7	0.5
Lease liabilities	144.3	144.3	37.0	79.6	27.7
Other non-current financial liabilities	15.8	15.8	-	-	15.8
Trade payables	118.6	118.6	118.6	-	-
Derivatives: liabilities	0.3	0.3	0.3	-	-
FINANCIAL LIABILITIES	1,490.9	1,705.1	291.1	829.5	584.5

(in millions of euros)	FY2025		<1 year	> 1 year < 3 years	> 3 years < 5 years	>5 years
	Other provisions	Contractual flows				
Bond	494.2	630.8	23.8	47.6	47.5	512.0
Term loan	443.3	536.2	19.3	38.7	478.3	-
Credit facility (EIB)	203.9	235.8	7.2	63.8	76.2	88.6
Other borrowings	3.3	3.3	2.7	-	0.5	-
Lease liabilities	150.9	109.4	33.4	(41.5)	117.5	-
Other non-current financial liabilities	12.9	12.9	-	-	-	12.9
Trade payables	116.5	116.5	116.5	-	-	-
Derivatives: liabilities	1.4	1.5	1.5	-	-	-
FINANCIAL LIABILITIES	1,426.4	1,646.4	204.4	108.6	720.0	613.4

Credit risk management

Credit risk is managed at Group level. Credit risk arises from cash, cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including receivables outstanding and committed transactions.

OVHcloud currently provides services to more than 1.6 million customers worldwide and delivers the service to its customer portfolio once payment for the service has been made in the majority of cases. Credit risk is therefore very low within the Group.

In the event that customer credit is required, the credit control department assesses the credit-worthiness of the customer, considering both their financial position and payment track record.

No individual customer of the Group represented more than 10% of total sales in FY2025 or FY2026.

Management of raw material risk (energy contracts)

The Group has signed three green energy agreements. These contracts, the main features of which are described below, are accounted for in accordance with the own-use exemption, i.e. as operational expenses without IFRS 9 impact:

- in France, a CPPA with EDF Renouvelables covers around 40 GWh of consumption as from 1 January 2025. The minimum term is 15 years (renewable for three-year terms after 15 years, representing a total term of up to 24 years). As part of the performance of its agreement with EDF Renouvelables, the Group has signed a purchase/resale contract with the aggregator Agregio Solutions, an EDF subsidiary, on the same terms as the CPPA. The purchase/resale flows were settled on a net basis and therefore had no impact on the presentation of the financial statements.
- in Germany, a 10-year CPPA with Sunnic Lighthouse GmbH, covers around 30 GWh of consumption from 1 January 2025.
- in Poland, a CPPA with the PGE group, for a period of two years from 1 January 2026, covers around 5 GWh of consumption per year.

In September 2026, OVH concluded a fixed-price contract for 250 GWh of electricity consumption in France over the next 24 months in order to secure supply volumes and costs.

4.21 Provisions and contingent liabilities

Provisions and contingent liabilities break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Defined benefit pension plans and other benefits	9.1	10.3
Litigation, claims and onerous contracts	6.2	6.5
Non-current provisions	15.3	16.8
Defined benefit pension plans and other benefits	1.9	1.9
Litigation and claims	12.6	6.3
Current provisions	14.4	8.2
CURRENT AND NON-CURRENT PROVISIONS	29.7	25.0

► Change in provisions and contingent liabilities

<i>(in millions of euros)</i>	Defined benefit pension plans	Other benefits	Litigation and claims	Other provisions	Total
1 September 2024	2.7	7.1	20.2	0.0	30.0
Additions	0.6	1.5	2.7	0.2	5.0
Reversals/Benefits paid	-	(1.8)	(4.4)	-	(6.2)
Actuarial gains and losses	0.3	0.5	-	-	0.8
Other movements	0.1	-	-	0.0	0.2
Translation differences	-	-	(0.0)	(0.0)	(0.0)
31 August 2025	3.7	7.3	18.6	0.2	29.7
Additions	0.6	1.2	-	3.7	5.6
Reversals/Benefits paid	-	(1.7)	(9.6)	-	(11.4)
Actuarial gains and losses	(0.1)	1.1	-	-	1.0
Other movements	-	-	-	-	(0.0)
Translation differences	-	-	(0.0)	0.0	0.0
31 AUGUST 2026	4.3	7.9	8.9	3.9	25.0

Provisions for litigation, claims and onerous contracts

Following the fire at the Strasbourg site in 2021, a provision was recorded to cover the consequences of the incident in respect of appraisal costs, legal costs and liability claims.

At 31 August 2026, this provision amounted to €6.3 million (compared to €12.6 million at 31 August 2025). It has been revised to take account of the fact that the limitation period has expired in some countries.

Defined benefit pension plans

Defined benefit post-employment plans mainly concern employees in France.

These commitments are not covered by plan assets.

In France, in accordance with the legal regime governed by the collective bargaining agreements applicable to employees of French entities, a lump sum is paid to employees upon retirement, the amount of which depends on their length of service and their salary at the time of their departure according to a scale defined in the collective bargaining agreement.

Other benefits

The Group introduced a long-service award scheme in FY2023 and FY2024, for all Group employees. The provision amounted to €7.9 million at 31 August 2026 (€7.3 million at 31 August 2025).

Contingent liabilities

The dispute with a European partner is still ongoing. OVHcloud is challenging the allegations arguing that it is impossible to assess the cost of withdrawing a resource were this necessary, given that both the claims and the alleged damage are unfounded.

Main assumptions

The main assumptions used to determine the Group's obligations under defined benefit pension plans are as follows:

	FY2025	FY2026
Discount rate	3.70%	4.34%
Salary inflation rate	3.0%	3.0%
Average staff turnover rate	5.7%	5.7%
Average payroll tax rate	43%	49%
Duration of the pension commitment	23 years	23 years
Mortality table	INSEE 2018-2020	INSEE 2023-2025

The average tax rate on salaries corresponds to the average rate of employer contributions.

The duration of the retirement commitment corresponds to the average remaining working life of employees.

Change in defined benefit obligations

(in millions of euros)

	FY2025	FY2026
At 1 September	2.7	3.7
Interest cost	0.1	0.2
Service cost	0.5	0.6
Current service cost	0.6	0.7
Past service cost	(0.1)	(0.1)
Income statement impact	0.6	0.7
Other movements	0.0	-
Benefits paid	0.0	0.0
Actuarial gains and losses	0.3	-0.1
31 AUGUST 2026	3.7	4.3

Past service cost corresponds to the effect of employee departures.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions at 31 August 2025 and 2026 is shown below:

(in millions of euros)

	FY2025	FY2026
Change in discount rate		
+25 basis points	3.4	4.0
-25 basis points	3.8	4.4
Change in salary inflation		
+25 basis points	3.8	4.4
-25 basis points	3.4	4.0

The amount of contributions that OVHcloud expects to pay into the plan in FY2026 is €0.8 million.

4.22 Other current and non-current liabilities

Other current and non-current liabilities break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Employee-related payables	12.9	15.8
Deferred income	3.9	3.9
Other non-current payables	0.2	0.2
Other non-current liabilities	17.0	19.9
Employee-related payables	57.5	62.5
Deferred income	65.5	83.3
Advances received	12.8	18.0
Tax liabilities (other than current taxes)	38.7	28.6
Other current payables	4.6	20.5
Other current liabilities	179.2	212.9
OTHER CURRENT AND NON-CURRENT LIABILITIES	196.2	232.8

The year-on-year change in accounts payable and other current payables break down as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Accounts payable	116.5	118.6
Other current and non-current liabilities	196.2	232.9
<i>Of which deferred income</i>	69.3	87.2
TOTAL TRADE PAYABLES AND OTHER CURRENT AND NON-CURRENT LIABILITIES	312.6	351.4
Changes in trade payables and other current and non-current liabilities presented in the financial statements	(32.9)	38.8
Exchange rates and other	(2.2)	0.1
Other reclassifications and financing	(42.4)	(41.8)
Changes in trade payables and other current and non-current liabilities presented in the cash flow statement	11.7	80.5

4.23 Leases

<i>(in millions of euros)</i>	Office leases	Datacenters	Networks	Points of presence	Other assets	Total
GROSS VALUES						
1 September 2024	86.1	98.7	8.1	22.7	2.1	217.6
Increases	10.2	12.8	5.4	13.5	0.2	42.2
Terminated leases	(9.1)	(9.3)	(0.4)	(1.5)	-	(20.3)
Translation differences	(0.4)	(3.7)	(0.3)	(0.9)	-	(5.4)
Other movements	(1.0)	-	-	0.1	-	(0.9)
31 August 2025	86.7	98.5	12.9	33.8	2.3	234.2
Increases	10.7	12.4	0.8	6.6	0.2	30.7
Terminated leases	(2.2)	(3.7)	(1.0)	-	-	(6.9)
Translation differences	0.0	1.2	-	0.2	-	1.5
Other movements	-	1.0	(0.2)	-	-	0.8
31 AUGUST 2026	95.2	109.5	12.4	40.6	2.5	260.2
DEPRECIATION AND IMPAIRMENT						
1 September 2024	(34.4)	(25.3)	(6.5)	(13.9)	(1.8)	(82.0)
Additions	(9.9)	(16.9)	(2.6)	(6.7)	(0.2)	(36.4)
Terminated leases	8.0	7.4	0.4	1.0	-	16.8
Translation differences	0.3	1.2	0.3	0.3	-	2.1
31 August 2025	(36.0)	(33.7)	(8.5)	(19.1)	(2.1)	(99.3)
Additions	(9.8)	(17.5)	(2.2)	(6.3)	(0.2)	(36.1)
Terminated leases	1.9	2.6	0.7	-	-	5.2
Translation differences	-	-	-	-	-	0.0
Other movements	(0.0)	(0.1)	1.2	(1.2)	-	(0.1)
31 AUGUST 2026	(43.9)	(49.2)	(8.8)	(26.5)	(2.3)	(130.7)
NET VALUES						
31 August 2025	50.8	64.8	4.4	14.7	0.2	134.9
31 AUGUST 2026	51.3	60.3	3.6	14.1	0.2	129.5

Leases are not exposed to any factors that have not been taken into account at 31 August 2026 and that could impact the valuation of these right-of-use assets. All leases have fixed terms (which can be extended by way of an agreement between the parties or by automatic renewal) and there are no variable future payments other than those resulting from the indexation rates of the leases.

The impacts of the restatement of leases in the consolidated income statement for FY2025 and FY2026 are as follows:

<i>(in millions of euros)</i>	FY2025	FY2026
Restated lease payments	39.9	40.4
Depreciation of right-of-use assets	(36.1)	(36.1)
Interest expenses	(3.7)	(3.8)
Net expenses on contract terminations	0.0	(0.1)
PROFIT (LOSS) BEFORE TAX	0.1	0.4

The €40.4 million in lease payments recognised for the period ended 31 August 2026 concern:

- datacenters for €19.7 million;

- Points of Presence (POP) for €4.6 million;
- offices for €10.5 million;
- networks for €5.6 million;

4.24 Share-based payments

<i>(in millions of euros)</i>	FY2025	FY2026
Expenses for equity-settled compensation plans	(7.5)	(8.8)
Expenses for cash-settled compensation plans	(2.7)	(3.7)
Social security charges related to share-based payments	(4.1)	(6.5)
SHARE-BASED PAYMENTS	(14.3)	(19.0)

At 31 August 2026, expenses related to share-based payments included the performance share plan for an amount of €19 million (€7.7 million at 31 August 2025), including the benefit granted to employees in connection with the “Employee Share Plan” for an amount of €1.5 million (€1.5 million at 31 August 2025).

The change in expenses relating to share-based payments arises mainly from the introduction of a new performance share plan granted on 18 December 2025.

Performance share plan

At the Combined General Meetings of 20 December 2023, 6 February 2025 and 18 December 2025, the Company's shareholders authorised the Board of Directors to allocate shares to a defined number of employees on one or more occasions, subject to performance and presence conditions.

The Board of Directors approved the terms and conditions of the plan and the list of beneficiaries:

- on 20 December 2023 for the plan implemented in December 2023;
- on 6 February 2025 for the plan implemented in February 2025.
- on 18 December 2025 for the plan implemented in December 2025;

	December 2023 plan	February 2025 plan	December 2025 plan
Maximum number of shares that may be awarded	1,938,268	1,911,626	1,870,957
% of capital at the date of the Board of Directors' decision	1.02%	1.26%	1.22%
Total number of shares awarded	1,938,268	1,911,626	1,911,626
Date of the Board of Directors' decision	20 December 2023	6 February 2025	18 December 2025
Performance measurement period	three years for the three conditions	34 months for the three conditions	34 months for the three conditions
Duration of the vesting period	three years from grant date	three years from grant date	three years from grant date
Lock-up period for shares after vesting (France only)	None	None	None
Performance condition(s)	Yes (see below)	Yes (see below)	Yes (see below)
Effective presence at the vesting date	Yes	Yes	Yes
Number of shares at 31 August 2026 subject to the achievement of performance and/or presence conditions	1,938,268	1,911,626	1,870,957
Number of shares subject to performance and/or presence conditions at the end of the financial year	1,153,110	1,381,467	1,680,191
Weighted average number of shares (<i>in thousands</i>)	165,255	165,255	151,043
Share price at the grant date (<i>in euros</i>)	€8.44	€8.20	€7.66

Internal performance conditions

The performance conditions are mainly based on internal indicators, *i.e.*, revenue generation and profitability improvement (as defined in the share plans) over a three-year period for each of the plans.

CSR performance condition

The Group has chosen to include a performance condition that reflects its corporate social and environmental strategy and commitment.

Employee shareholding offer

Since 2023, the Group has given its employees the opportunity to subscribe to a shareholding offer reserved solely for Group employees. This offer was open to Group employees in France and abroad, with a contribution covered by the Company.

This offer was renewed during FY2026, under the same terms and conditions. An expense of €1.6 million was recognised at 31 August 2026.

Note 5 Other information

5.1 Off-balance sheet commitments

Leases

Lease commitments include property lease payments relating to leases for which the Group applies the exemptions permitted by IFRS 16 (see Note 3), for which the future lease payments are estimated at less than €1 million.

Guarantees and other commitments

The Group has also provided guarantees and bonds in connection with electricity purchase contracts and lease agreements for a total of approximately €6 million.

Acquisitions

Three categories of share subscription warrants were created within the scope of the acquisition, entitling the holders to, subject to the fulfilment of the contractual conditions, the issue of new shares in the Company. The GAP share subscription warrant, for a maximum amount of €2.5 million, is a holdback in relation to founder's indemnification commitments and is included in the acquisition price. The ARR share subscription warrant, of a maximum amount of €10 million, is subject to performance conditions and the founder's presence until 31 December 2027. As it relates to future services, it is not included in the acquisition price. The Wholesale share subscription warrant is conditional on the achievement of certain performance targets. No amount is included in the acquisition price at the closing date, as this share subscription warrant has not been valued at this date.

5.2 Statutory Auditors' fees

The Statutory Auditors' fees break down as follows:

	Grant Thornton		KPMG		Total	
	FY2025	FY2026	FY2025	FY2026	FY2025	FY2026
<i>(in millions of euros)</i>						
Audit and related services	0.7	0.5	0.7	0.7	1.4	1.2
Certification of financial statements	0.7	0.5	0.5	0.5	1.2	1.1
OVH Groupe	0.4	0.4	0.3	0.3	0.7	0.7
Fully consolidated subsidiaries	0.4	0.2	0.2	0.2	0.6	0.4
Services required by law	-	-	0.2	0.1	0.2	0.1
OVH Groupe	-	-	0.2	0.1	0.2	0.1
Fully consolidated subsidiaries	-	-	-	-	-	-
Services other than the certification of financial statements	0.2	0.0	0.3	0.2	0.5	0.2
OVH Groupe	0.2	0.0	0.3	0.2	0.5	0.2
Fully consolidated subsidiaries	-	-	-	-	-	-
TOTAL	0.9	0.5	1.0	0.8	1.9	1.4

5.3 Transactions with associated companies and other related parties

Transactions with related parties correspond to transactions carried out with:

- SCI OVH, a non-consolidated entity that is 14%-owned by the Group, which leases premises to the Group and is controlled by one of its executives;
- AixMétal, a non-consolidated entity controlled by Group shareholders (the Klabá family), which is a supplier of metal parts to the Group;
- SCI Immostone, a non-consolidated entity controlled by Group shareholders (the Klabá family), which leases premises to the Group;

- SCI Immolys, a non-consolidated entity controlled by Group shareholders (Halina and Henryk Klabá), which leases premises to the Group. The impacts of these leases in the consolidated financial statements are not material;
 - Hubic SAS (now Shadow), an entity sold by the Group to Jezby Venture SAS, and controlled by a Group shareholder (Octave Klabá), which is also a customer of the Group;
 - the search engine Qwant, a non-consolidated entity controlled by Group shareholders (Klabá family) and Jezby Venture SAS.
- All related-party transactions and balances are presented below.

<i>(in millions of euros)</i>	SCI OVH	AixMétal	SCI Immostone	Paolo SAS	SCI Immolys	Hubic-Shadow	Qwant	Others	FY2026
Statement of financial position									
Assets	6.8	2.8	4.3	3.0	0.2	2.4	-	-	19.5
Liabilities	6.9	0.5	4.4	0.1	0.2	-	-	-	12.1
Income statement									
Revenue	-	0.8	-	-	-	16.1	1.3	0.1	18.3
Operating expenses	(0.1)	(7.7)	(0.7)	(0.1)	-	-	-	-	(8.6)
Net finance income (expense)	(0.3)	-	(0.2)	-	-	-	-	-	(0.5)
Amortisation and depreciation expenses/reversals	(0.9)	-	(0.6)	-	-	1.0	-	-	(0.5)

<i>(in millions of euros)</i>	SCI OVH	AixMétal	SCI Immostone	Paolo SAS	SCI Immolys	Hubic-Shadow	Qwant	Others	FY2025
Statement of financial position									
Assets	7.7	1.8	0.7	1.7	0.2	3.7	0.1	0.0	15.9
Liabilities	7.7	0.3	0.7	0.1	0.2	-	-	-	9.0
Income statement									
Revenue	-	0.8	-	-	-	21.2	1.3	0.5	23.7
Operating expenses	(0.2)	(8.9)	(0.9)	(0.2)	(0.1)	-	-	-	(10.2)
Net finance income (expense)	(0.0)	-	(0.0)	-	(0.0)	-	-	-	(0.1)
Amortisation, depreciation and impairment expenses/reversals	(0.9)	-	(0.4)	-	(0.0)	0.4	-	-	(0.9)

5.4 Compensation of key executives

The Group's key executives correspond to the management team, which includes the following people:

- Chairman;
- Chief Executive Officer;
- Deputy Chief Executive Officer;
- Chief Financial Officer;
- Chief Technology Officer;
- Chief Industrial Officer;
- Chief Service Delivery Officer;
- Chief Legal Officer;
- Chief Human Resources Officer;
- Chief Sales Officer;
- Chief Customer Officer;
- Chief Information Systems Officer;
- Vice-Chief Executive Officers.

The compensation of the key executives recorded in the income statement during the period (including social security charges and excluding social security contributions on the allocation of free shares) is as follows:

(in millions of euros)	FY2025	FY2026
Short-term employee benefits	8.8	7.5
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	0.3
Share-based payments	5.2	5.9
EXECUTIVE COMPENSATION	14.0	13.7

5.5 Scope of consolidation

The Group's scope of consolidation at 31 August 2026 is detailed below.

Country	List of consolidated companies	FY2025		FY2026	
		Percentage interest	Consolidation method ⁽¹⁾	Percentage interest	Consolidation method ⁽¹⁾
Australia	Data Center Sydney Pty Ltd.	100%	FC	100%	FC
	OVH Australia Pty Ltd.	100%	FC	100%	FC
Austria	OVHcloud DC Austria GmbH	100%	FC	100%	FC
Belgium	OVHcloud Belgium	100%	FC	100%	FC
	OVHcloud DC Belgium	100%	FC	100%	FC
Bulgaria	OVHcloud DC Bulgaria LLC	100%	FC	100%	FC
Canada	OVH Serveur Inc.	100%	FC	100%	FC
	Technologies OVH Inc.	100%	FC	100%	FC
	Hébergement OVH	100%	FC	100%	FC
	OVH Infrastructure Canada Inc.	100%	FC	100%	FC
	HOLDING OVH CANADA INC.	100%	FC	100%	FC
Czech Republic	OVH CZ Sro	100%	FC	100%	FC
	OVHCloud DC C.Z s.r.o	100%	FC	100%	FC
Denmark	OVHcloud DC Danemark ApS	100%	FC	100%	FC
France	OVH Groupe SA	100%	Parent company	100%	Parent company
	OVH SAS	100%	FC	100%	FC
	Media BC	100%	FC	100%	FC
	KOSC	41%	EM	41%	EM
	OVHcloud OCT1	100%	FC	100%	FC

Country	List of consolidated companies	FY2025		FY2026	
		Percentage interest	Consolidation method ⁽¹⁾	Percentage interest	Consolidation method ⁽¹⁾
	OVHcloud OCT2	100%	FC	100%	FC
	OVH LLM SAS	-	-	100%	FC
	LINGUA CUSTODIA Luxembourg SARL	-	-	100%	IG
	OVH IA SAS	-	-	100%	IG
	GLADIA SAS	-	-	69.87% ⁽²⁾	IG
	GLADIA INC.	-	-	100%	IG
	MYQUANT SAS	-	-	100%	IG
	Seald	-	-	100%	IG
Finland	OVH Hosting OY	100%	FC	100%	FC
	OVHcloud DC Finland	100%	FC	100%	FC
Germany	OVH DCD Data Center Deutschland GmbH	100%	FC	100%	FC
	OVH BSG GmbH	100%	FC	100%	FC
	gridscale GmbH	100%	FC	100%	FC
	OVH GmbH	100%	FC	100%	FC
India	OVHTECH R&D Private Ltd	100%	FC	100%	FC
	Altimat Data Center Private Limited	100%	FC	100%	FC
Ireland	OVH Hosting Ltd.	100%	FC	100%	FC
	OVH BSI Ltd.	100%	FC	100%	FC
	OVHcloud DC Ireland Ltd	100%	FC	100%	FC
Italy	OVH Srl	100%	FC	100%	FC
	OVHcloud DC Italy	100%	FC	100%	FC
Lithuania	OVH UAB	100%	FC	100%	FC
Luxembourg	OVHcloud DC Luxembourg SARL	100%	FC	100%	FC
Morocco	OVH Hosting	100%	FC	100%	FC
	OVHcloud DC Morocco	100%	FC	100%	FC
Norway	OVHcloud DC Norway AS (MR Hyle 156 AS)	100%	FC	100%	FC
Poland	OVH Sp. Zoo	100%	FC	100%	FC
	Data Center Ozarow Sp.Zoo	100%	FC	100%	FC
Portugal	OVH Hosting Sistemas Informaticos Unipessoal Lda	100%	FC	100%	FC
Romania	OVHCloud DC RO S.R.L	100%	FC	100%	FC
Senegal	OVH SARL	100%	FC	100%	FC
Singapore	Altimat Data Center Singapore Pte Ltd.	100%	FC	100%	FC
	OVH Singapore Pte Ltd.	100%	FC	100%	FC

Country	List of consolidated companies	FY2025		FY2026	
		Percentage interest	Consolidation method ⁽¹⁾	Percentage interest	Consolidation method ⁽¹⁾
Spain	OVH Hispano S.L.	100%	FC	100%	FC
	Altimat Spain S.L.	100%	FC	100%	FC
Sweden	OVHcloud Sweden AB	100%	FC	100%	FC
Switzerland	OVHcloud DC Switzerland SA	100%	FC	100%	FC
The Netherlands	OVH B.V.	100%	FC	100%	FC
	OVHcloud DC Netherlands B.V.	100%	FC	100%	FC
Tunisia	OVH SARL	100%	FC	100%	FC
	OVH TUNISIE SARL	100%	FC	100%	FC
United Kingdom	OVH Ltd.	100%	FC	100%	FC
	DATA CENTER ERITH Ltd.	100%	FC	100%	FC
	OVH BSUK Ltd.	100%	FC	100%	FC
United States	Data Center Vint Hill LLC	100%	FC	100%	FC
	OVH Holding US Inc.	100%	FC	100%	FC
	OVH Data US LLC	100%	FC	100%	FC
	OVH US LLC	100%	FC	100%	FC
	Data Center West Coast LLC	100%	FC	100%	FC
	OpenIO Inc.	100%	FC	100%	FC
	NFA Group	100%	FC	100%	FC

(1) FC: Full consolidation / EM: Equity method / NC: Non-consolidated

(2) Company 69.87% owned by OVH Groupe SA and 29.37% by MYQUANT and 0.77% in treasury shares



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OVH Groupe

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