

VNET Group, Inc.

Earnings Presentation for 2Q2024

August 28, 2024



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Gavin Shen

Rotating President of VNET



2Q 2024 Highlights



Financials (in RMB)

Revenue: **1,994 million** (+9.4% YoY)
 - Wholesale IDC Business: **402 million** (+81.0% YoY)

Adjusted EBITDA: **574 million** (+7.3% YoY)



Liquidity (in RMB)

Unused Credit Line: **1,829 million**

Cash Position ⁽¹⁾ : **2,224 million**



Wholesale IDC Business Updates

Capacity in service **332 MW**

Capacity utilized **252 MW** (+16MW QoQ)

Utilization rate **75.9%** (+4.9pps. QoQ)

- UR of mature wholesale capacity ⁽²⁾ **94.9%**



Retail IDC Business Updates

Capacity in service **52,177 R**

Capacity utilized **33,253 R**

Utilization rate **63.7%**

- UR of mature retail capacity ⁽³⁾ **72.5%**

Source: Company data as of June 30, 2024

Notes:

(1) Cash position refers to cash, cash equivalents, restricted cash and short-term investments

(2) Mature wholesale capacity refers to wholesale data centers in which utilization rate is at or above 80%

(3) Mature retail capacity refers to retail data centers that came into service prior to the past 24 months

Largest IDC Customer Order Wins

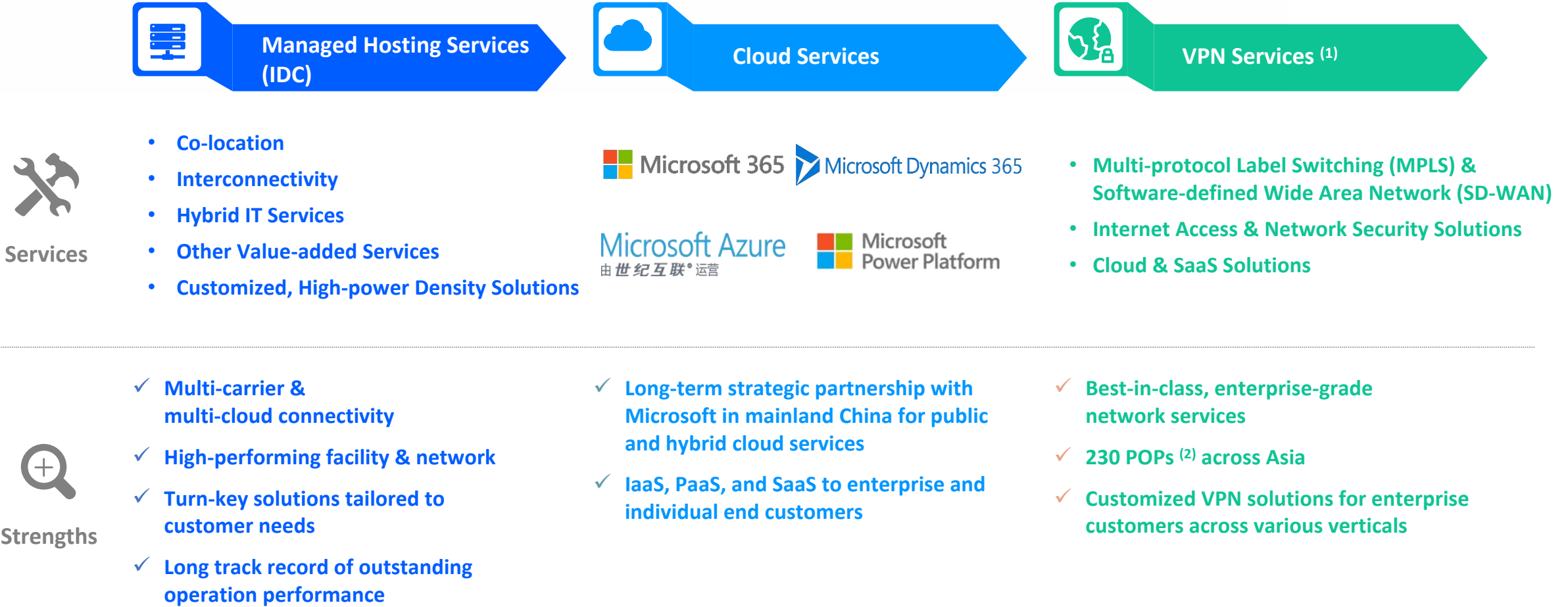


Region	IDC Code	Capacity Contracted / Under MoU (MW)	Signing Time of Contract / MoU	Customer Sector	Project Type
Greater Beijing Area	N-OR Campus 01	200	2Q24	Internet	Wholesale
		19	3Q24	IT Services	Wholesale
		16	3Q24	IT Services	Wholesale



Source: Company data

Differentiated Business Model with Comprehensive Offerings



Broad-based and high quality solution suite to meet customers' mission critical needs

Source: Company information
 Notes:
 (1) VPN refers to virtual private network
 (2) POP refers to point of presence as of June 30, 2024

Dual-Core Growth Strategy of IDC Business

Wholesale

Hyperscale IDC



Interconnectivity Services

Targeting **hyperscalers** which require huge amount of space and power to support massive scaling needs



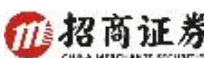
Retail

Retail Colocation



Full-stack Services

Covering large and loyalty customer base across verticals including: *financial services, IT service, enterprise digitalization, mobility, virtual reality and local service.*

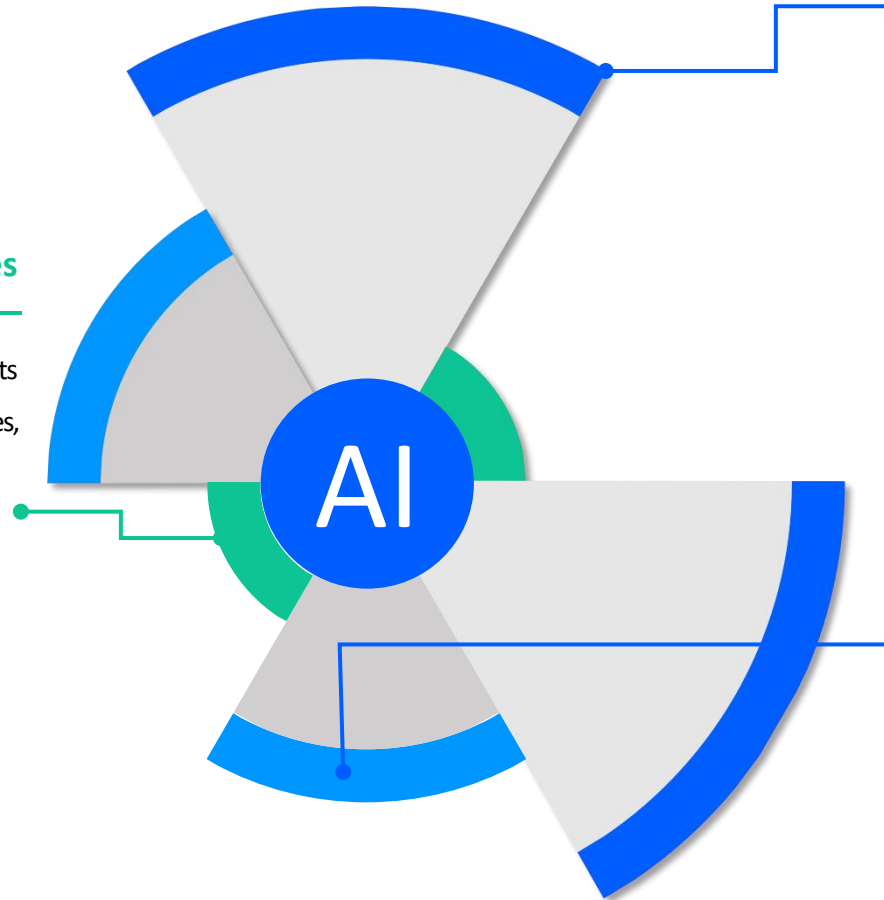


- >7,500 enterprise customers, of which >1,500 customers have enjoyed our IDC services
- Around 90% of total net revenues have been recurring revenues since IPO
- Low churn rate for core IDC business, constantly below 1% demonstrating our high customer retention
- Maintain high level of customer diversification with top 20 customers contributing 45.7% of total revenues in 2Q24

AI Demand and Capability

Supporting AI Needs Across Multiple Industries

- ✓ Catering to AI-driven demand primarily from leading internet clients and industry leaders in the cloud services, short video, local services, and fintech sectors.
- ✓ Recently secured orders totaling 235 MW of capacity, the vast majority of which is intended to facilitate AI deployment for customers.



Providing High-Power Liquid Cooling Solutions for AI Computing

- ✓ As an industry leader, the company provides customers with tailored high-performance computing solutions while remaining at the forefront of AI trends.
- ✓ Current research and development efforts focus on advanced power modules and cooling solutions, achieving air cooling of up to 30 kilowatts and liquid cooling of up to 120 kilowatts per cabinet.

95% of Wholesale Capacity Support AI Demand

- ✓ Currently, over 95% of the wholesale capacity in service is capable of meeting high-performance computing power requirements, positioning the company to seamlessly accommodate future AI-driven demand.

Ulanqab Base Project

Total Planned IT Power Exceeding 1.2 GW

A gigawatt-scale, hyperscale green computing cluster is planned to cover an area of over 638 square kilometers, with a total planned IT power exceeding 1.2 gigawatts. Currently secured orders exceeding 200 megawatts. This cluster will focus on meeting the large language model training demands from various industries, particularly from customers in the internet, autonomous driving, and financial services sectors.

Innovative Technologies to Reduces Costs

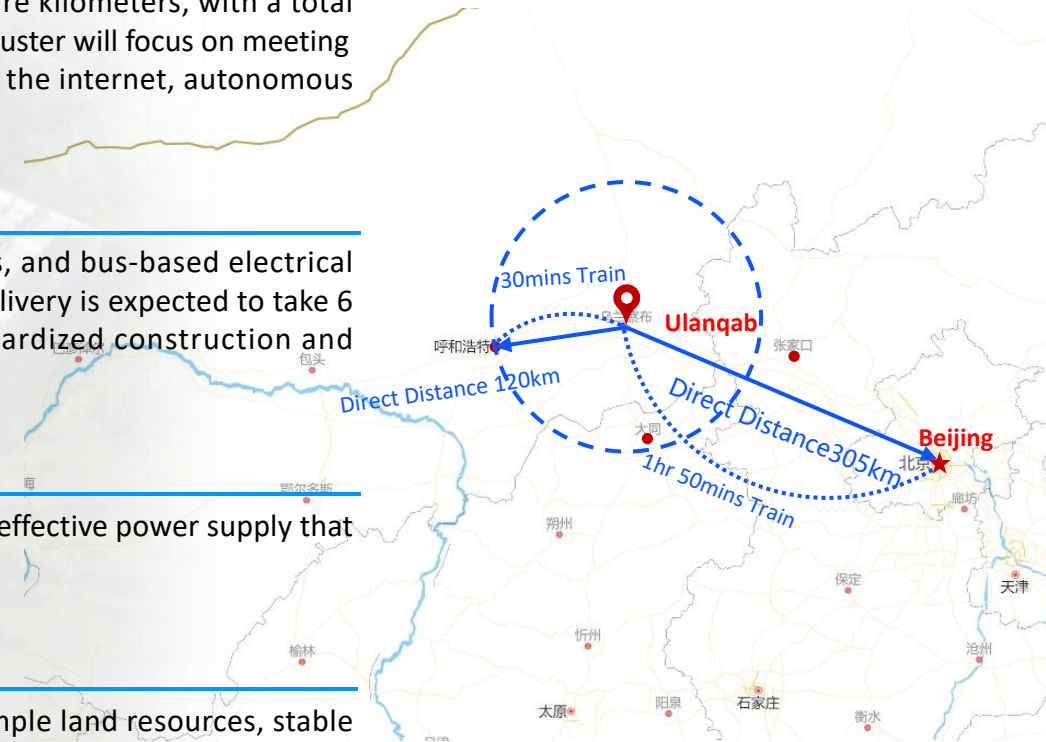
Actively adopting innovative technologies such as building standardization, modular data centers, and bus-based electrical systems to enhance construction efficiency. For the first order, the timeline from construction to delivery is expected to take 6 months. Aiming to continuously the costs associated with the project lifecycle through standardized construction and operational management.

Green Power Supply

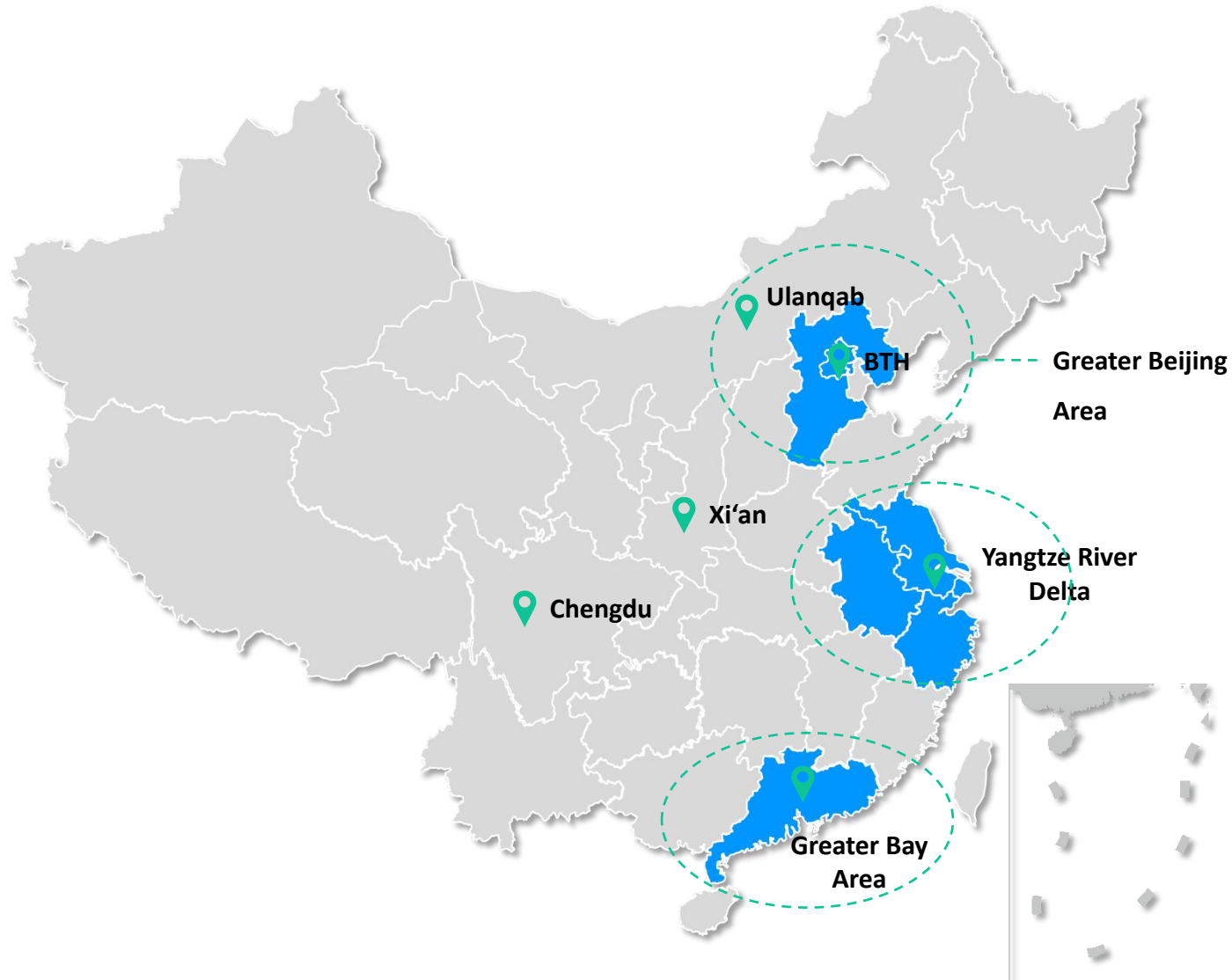
Proactively exploring power innovations to continuously provide a sufficient, stable, green, and cost-effective power supply that meets customers' dual needs for AI computing power and ESG requirements.

Regional Advantages to Enhance Core Competitiveness

The project's core competitiveness is enhanced by the region's exceptional geographic location, ample land resources, stable geological structure, extended natural cooling sources, outstanding power and energy advantages, strong policy support, high proportion of clean energy, and efficient transmission capability.



Data Centers by Region



Sources: Company data as of June 30, 2024

Wholesale Capacity In Service (332MW)

Region	%
Yangtze River Delta	52.2%
Greater Beijing Area	47.8%
Total	100.0%

Wholesale Capacity Under Construction (279MW)

Region	%
Yangtze River Delta	45.8%
Greater Beijing Area	54.2%
Total	100.0%

Wholesale Capacity Held for Future Development (527MW)

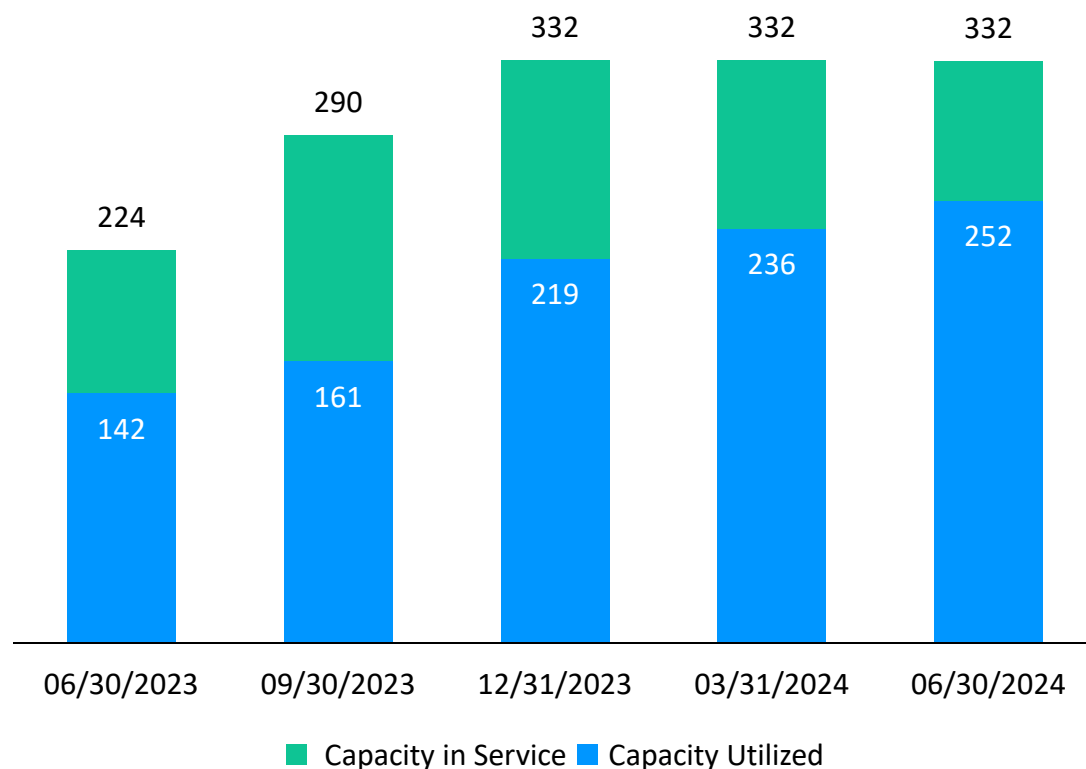
Region	%
Yangtze River Delta	17.4%
Greater Beijing Area	82.6%
Total	100.0%

Self-built Retail In Service Capacity (48,516R)

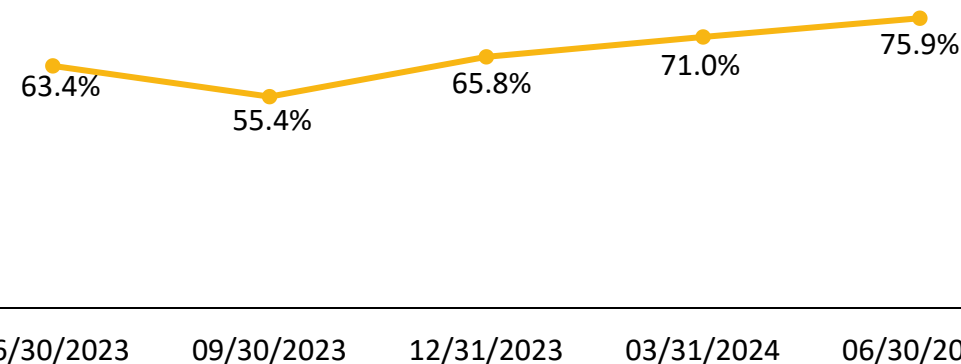
Region	%
Yangtze River Delta	19.2%
Greater Beijing Area	58.4%
Greater Bay Area	13.7%
Other Regions	8.7%
Total	100.0%

Wholesale Data Centers at a Glance - New Growth Driver

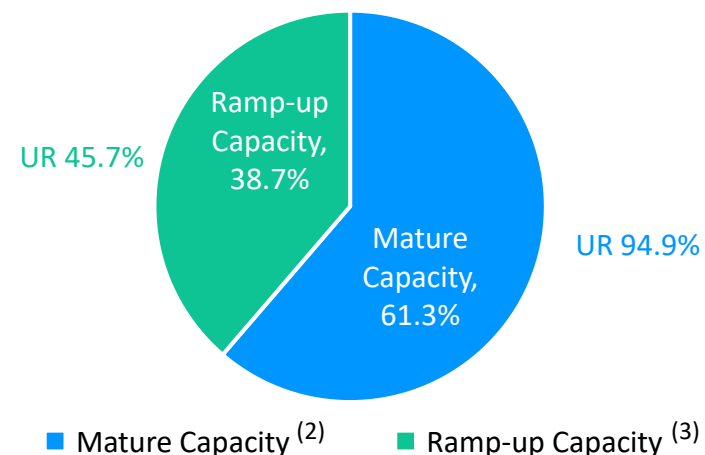
Total Capacity in Service & Capacity Utilized (MW)



Utilization Rate ⁽¹⁾



Mature & Ramp-up Capacity Contribution & Utilization Rate



Source: Company data as of June 30, 2024

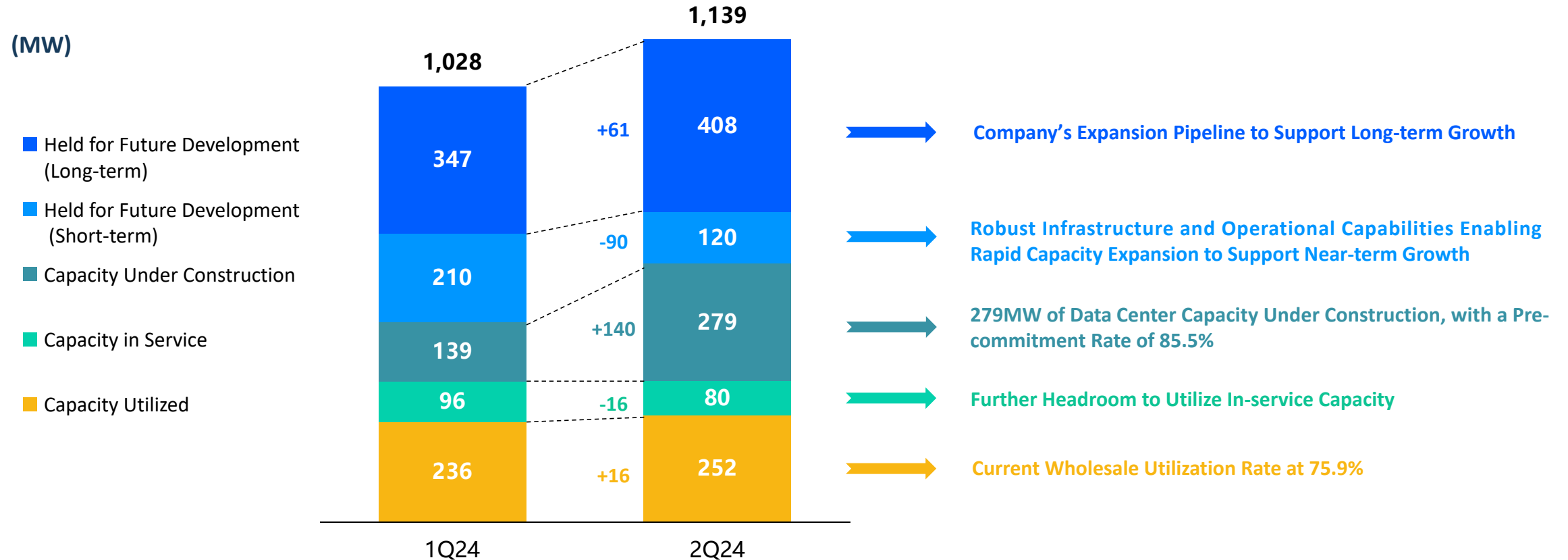
Notes:

(1) The utilization rate ("UR") is calculated by dividing utilized capacity by the capacity in service

(2) Mature wholesale capacity refers to wholesale data centers in which utilization rate is at or above 80%

(3) Ramp-up capacity for wholesale data centers refers to the wholesale data centers with a utilization rate below 80%

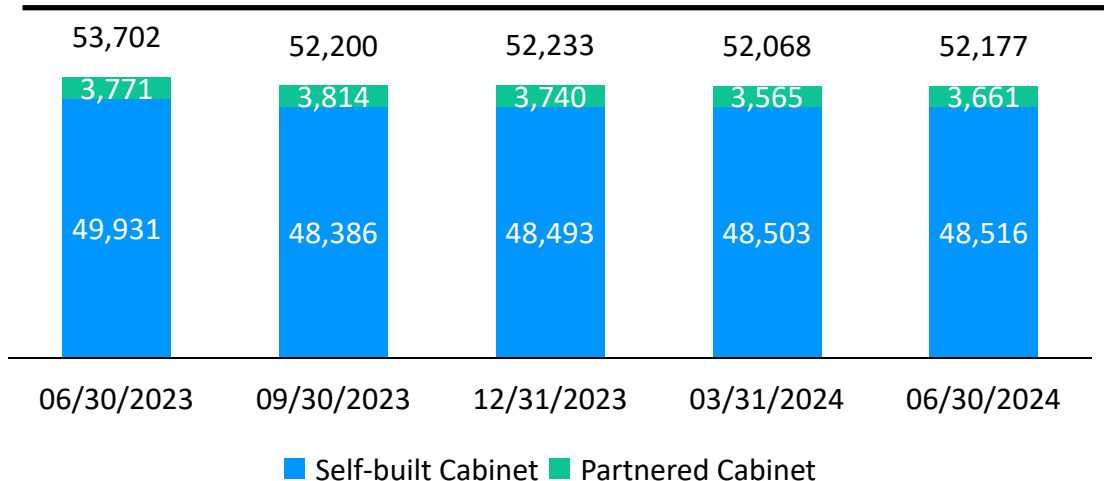
Wholesale Data Centers – Backlog Growth



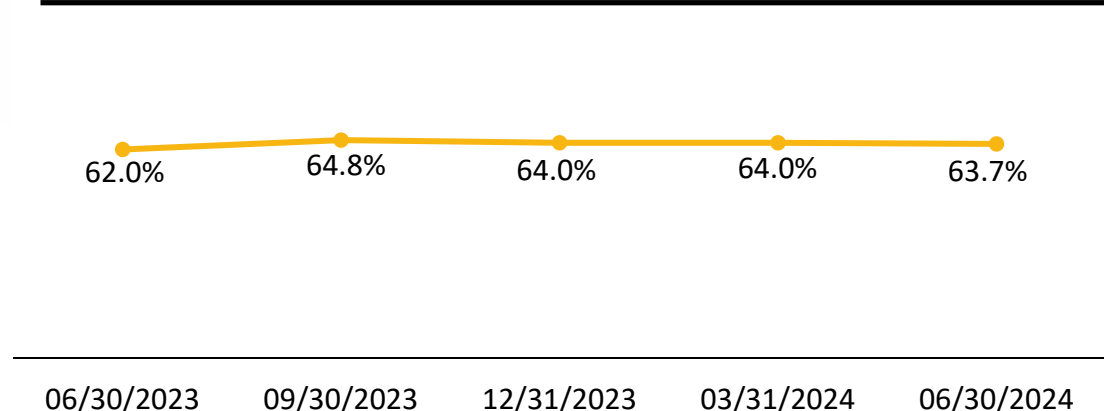
Source: Company data as of June 30, 2024

Retail Data Centers at a Glance - Solid Foundation

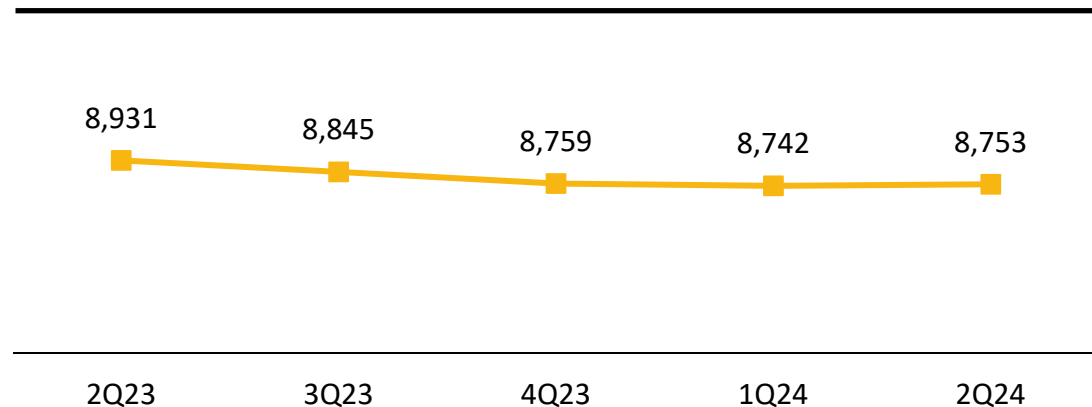
Total Capacity in Service (Cabinet)



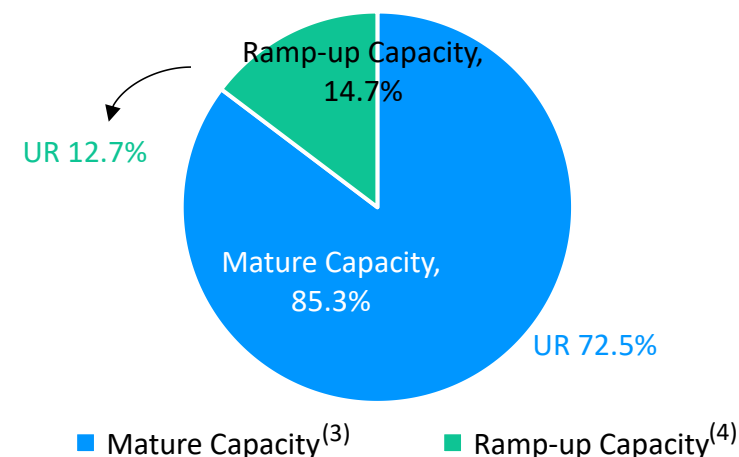
Utilization Rate ⁽¹⁾



MRR per Retail Cabinet ⁽²⁾



Mature & Ramp-up Capacity Contribution & Utilization Rate



Source: Company data as of June 30, 2024

Notes:

(1) Utilization rate is calculated by dividing utilized capacity by customers by the capacity in service

(2) MRR per retail cabinet refers to monthly recurring revenues per cabinet for the retail IDC business

(3) Mature capacity for retail data centers refers to the retail data centers that came into service prior to the past 24 months

(4) Ramp-up retail capacity refers to retail data centers that came into service within the past 24 months, or mature retail data centers that have undergone improvements within the past 24 months

Resource Pipeline for the Next 12 Months

Region	IDC Code	Tenure	Status	2024E Capacity (MW)	1H25 Capacity (MW)	Total (MW)
Yangtze River Delta	E-JS Campus 02 D	Owned	Under Construction	26	-	26
	E-JS Campus 02 E	Owned	Under Construction	65	-	65
	E-JS Campus 03	Owned	Under Construction	-	30	30
	E-JS04	Leased	Under Construction	7	-	7
Greater Beijing Area	N-HB Campus 01 B	Owned	Under Construction	3	-	3
	BJ18	Owned	Under Construction	-	5	5
	N-HB04	Leased	Under Construction	-	14	14
	N-OR Campus 01	Owned	Under Construction	24	105	129
Total				125	154	279
Expansion Target				100-140	110-150	210-290

Qiyu Wang

Chief Financial Officer of VNET



2Q24 Financial Highlights

RMB MM	2Q23	1Q24	2Q24	YoY	QoQ
Net revenues	1,822	1,898	1,994	9.4%	5.0%
Gross profit	343	411	425	24.0%	3.5%
Adjusted cash gross profit ⁽¹⁾	743	766	787	6.0%	2.8%
Adjusted cash gross margin	40.8%	40.3%	39.5%	-1.3 pps	-0.8 pps
Adjusted EBITDA ⁽²⁾	535	540	574	7.3%	6.3%
Adjusted EBITDA margin	29.4%	28.4%	28.8%	-0.6 pps	0.4 pps
Net (loss) income ⁽³⁾	(238)	(159)	72	NA	NA

Source: Company data as of June 30, 2024

Notes:

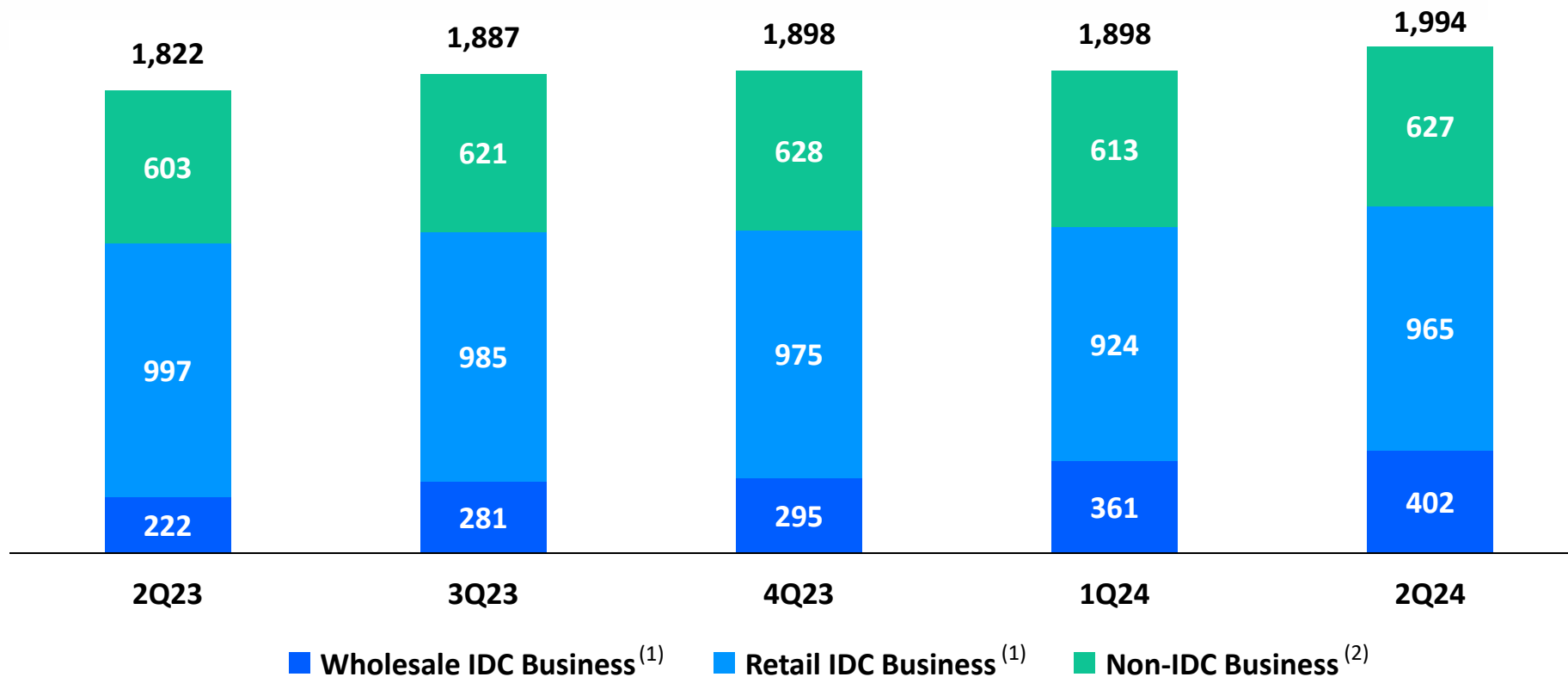
(1) Adjusted cash gross profit defined as gross profit excluding depreciation, amortization and share-based compensation expense

(2) Adjusted EBITDA is calculated as operating profit excluding depreciation and amortization and share-based compensation expenses

(3) In the second quarter of 2024, the company recorded a net profit of RMB 71.8 million, a significant improvement compared to the net loss of RMB 159.0 million in the first quarter of 2024, representing a QoQ profit increase of RMB 230.9 million. In the first quarter, the company recognized a one-time loss of RMB 155.8 million due to stock option grants and the repayment of the 2026 Convertible Notes. Excluding the impact of these one-time items, the adjusted net loss for the first quarter of 2024 was RMB 3.2 million, and the adjusted net profit for the second quarter was RMB 56.7 million, representing a QoQ profit increase of RMB 59.9 million, primarily due to the company's continued improvement in operations

Total Net Revenues Breakdown

(RMB MM)



Source: Company data as of June 30, 2024

Notes:

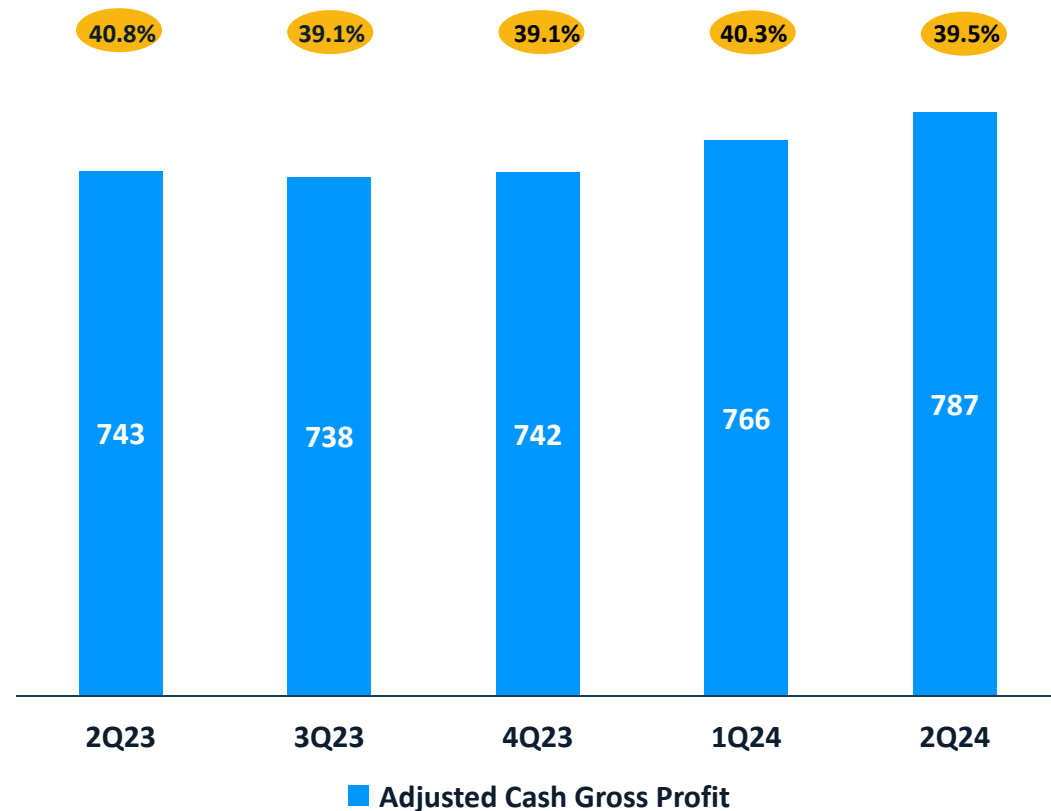
(1) IDC business refers to managed hosting services, consisting of the wholesale IDC business and the retail IDC business. Beginning in the first quarter of 2024, our IDC business was subdivided into wholesale IDC business and retail IDC business according to the nature and scale of our data center projects. Prior to 2024, the subdivision was based on customer contract types

(2) Non-IDC business consists of cloud services and VPN services

Healthy Margins through Efficiency Enhancement

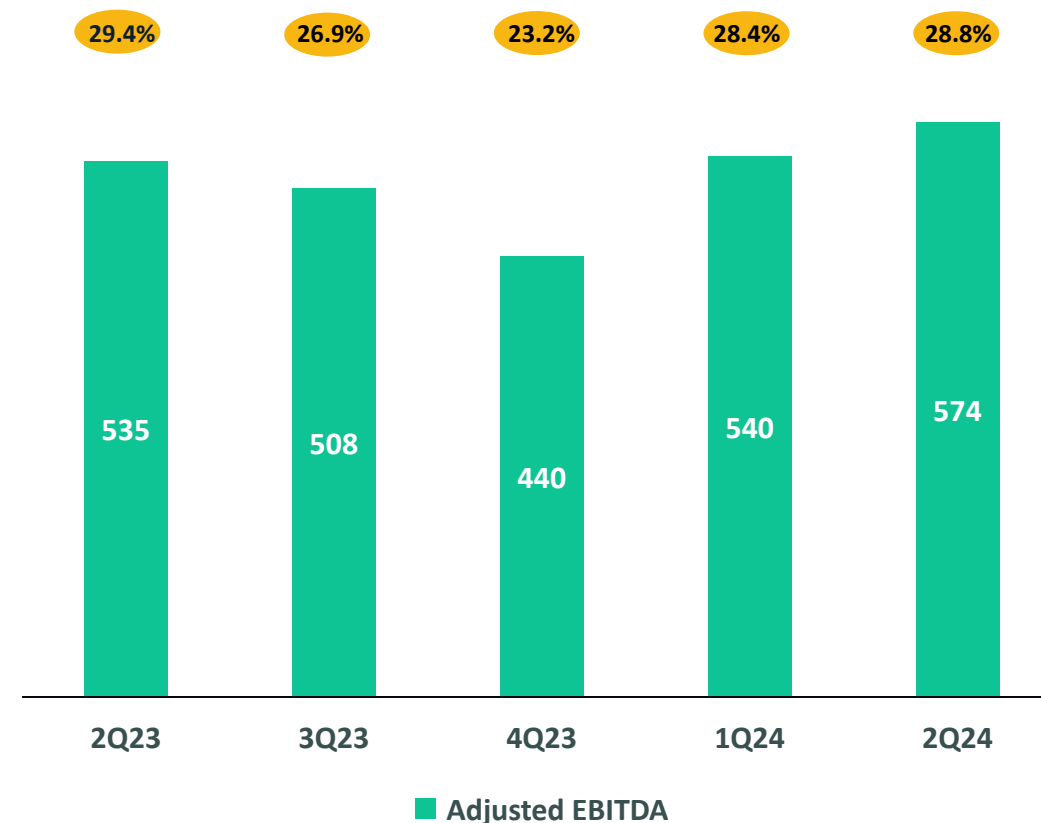
Adjusted Cash Gross Profit & Margin ⁽¹⁾

(RMB MM)



Adjusted EBITDA & Margin ⁽²⁾

(RMB MM)



Source: Company data as of June 30, 2024

Notes:

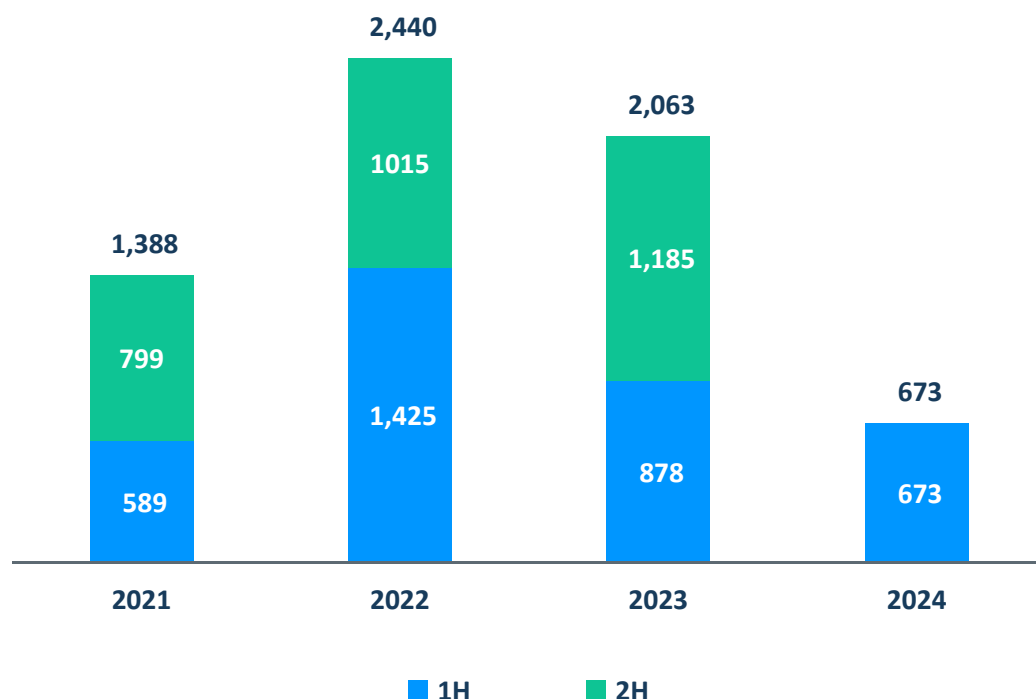
(1) Adjusted cash gross profit defined as gross profit excluding depreciation, amortization and share-based compensation expenses

(2) Adjusted EBITDA is calculated as operating profit excluding depreciation and amortization, share-based compensation expenses, compensation for postcombination employment in an acquisition, allowance of loan receivables, impairment of long-lived assets and impairment of goodwill

Strong Liquidity Position

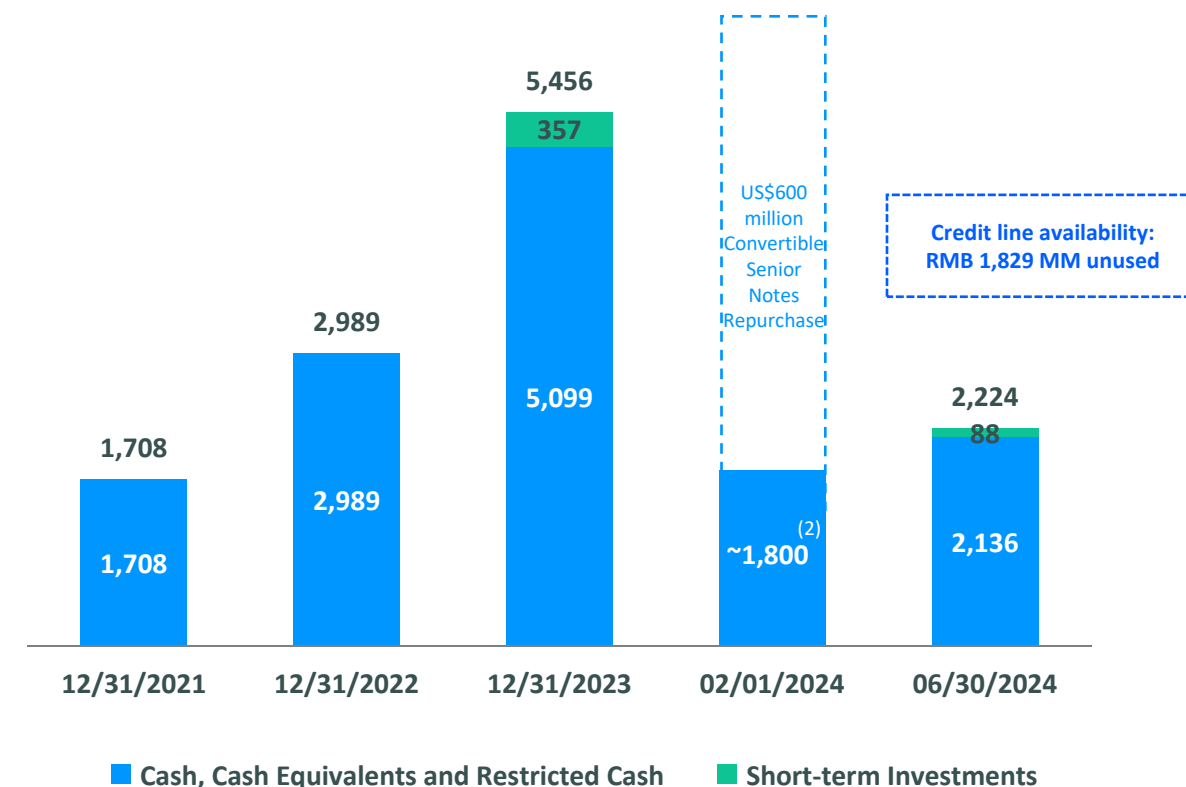
Net Operating Cash Flow

(RMB MM)



Cash Position ⁽¹⁾

(RMB MM)



Source: Company data as of June 30, 2024

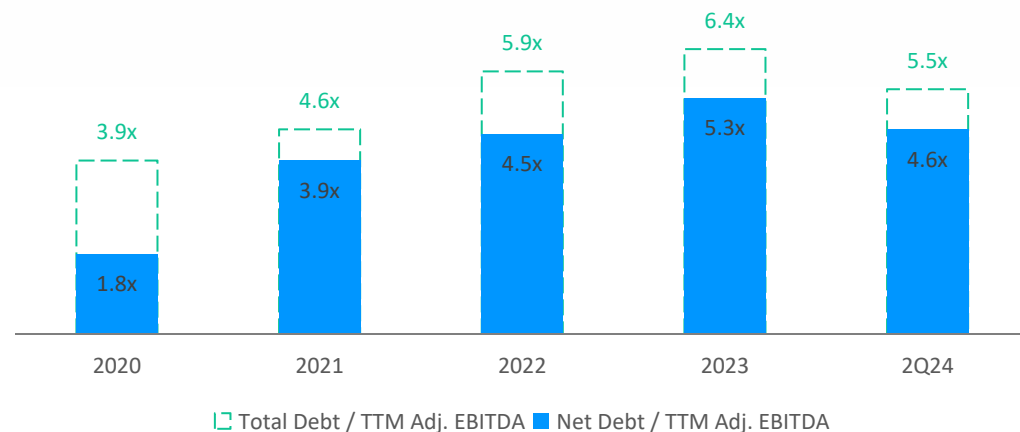
Notes:

(1) Cash position refers to cash, cash equivalents, restricted cash and short-term investments

(2) Unaudited management information as of February 1, 2024, derived from the summary of company's total bank accounts that have not been reconciled with financial statements

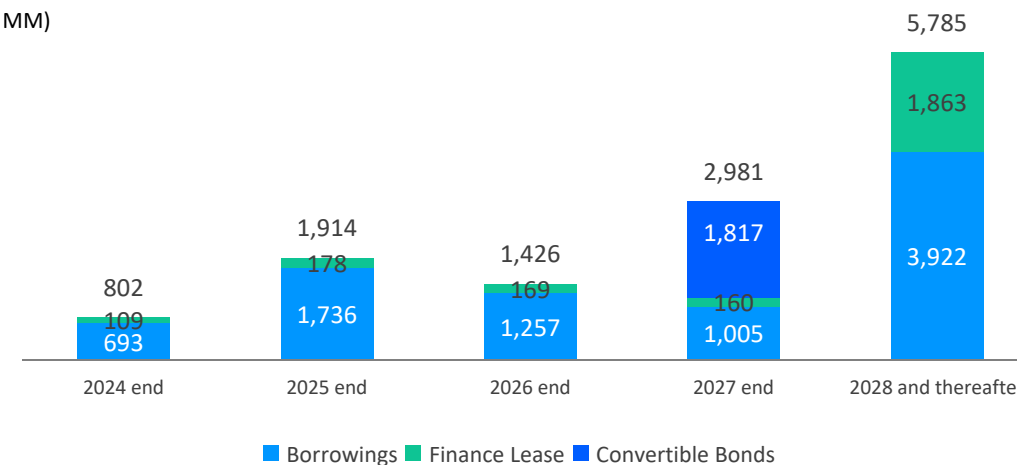
Well Laddered Debt Profile

Total Debt & Net Debt / TTM Adj. EBITDA ⁽¹⁾

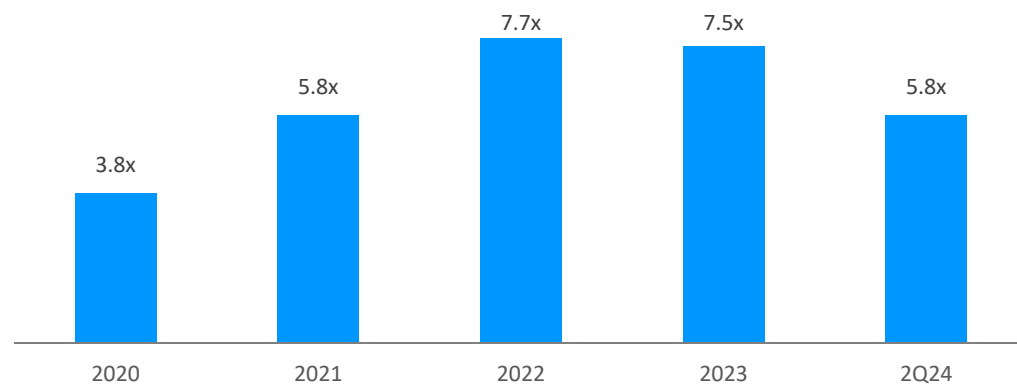


Debt Breakdown by Maturity

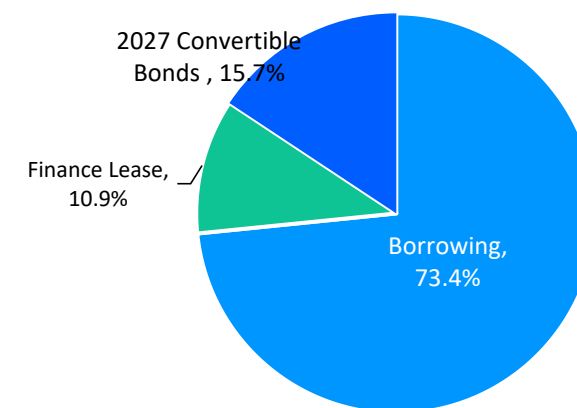
(RMB MM)



TTM Adjusted EBITDA Interest Coverage ⁽²⁾



Debt Structure as of June 30, 2024



Total Debt: RMB 11,360 MM

Source: Company data as of June 30, 2024

Notes:

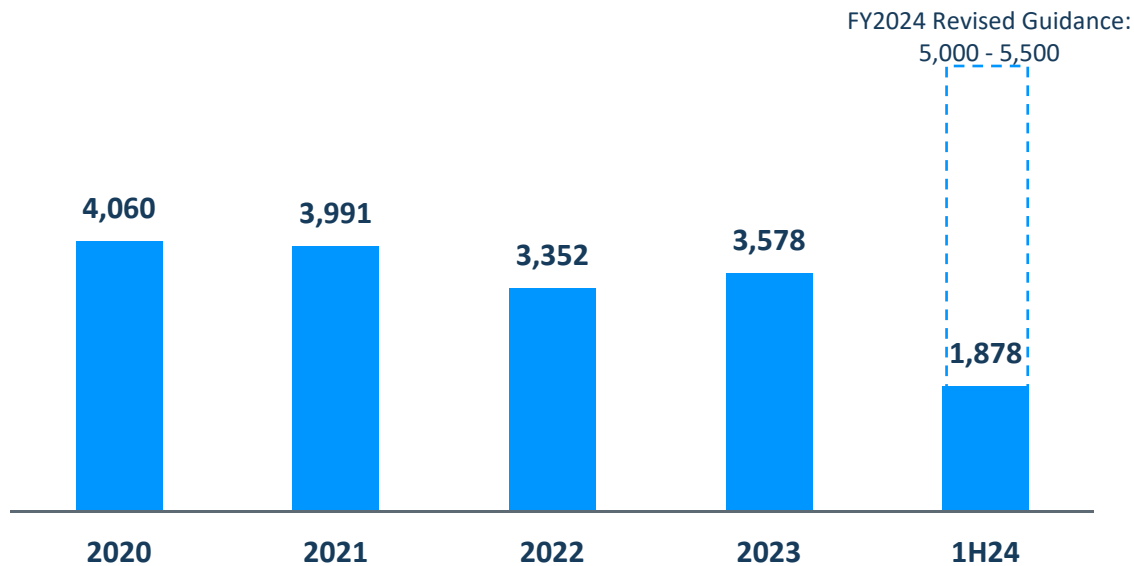
(1) Total Debt = Short-term and long-term bank borrowings + Finance lease + Convertible Notes; Net Debt = Total Debt – Cash and Cash Equivalent; TTM Adj. EBITDA is calculated by the sum of the Adjusted EBITDA over the last 12 months; Adjusted EBITDA is calculated as operating profit excluding depreciation and amortization, share-based compensation expenses, compensation for postcombination employment in an acquisition, allowance of loan receivables, impairment of long-lived assets and impairment of goodwill

(2) TTM Adjusted EBITDA Interest Coverage = TTM Adjusted EBITDA / Net Interest Expense (interest expense - interest income)

Capex Paid by Year

Capital Expenditure ⁽¹⁾

(RMB MM)



Highlights

- Within the RMB 1.88 billion capex for the first half of 2024, RMB 1.48 billion was used for wholesale business expansion.
- Our previous 2024 full-year capex guidance was from RMB 3.7 - 4.2 billion, we are raising it to RMB 5 - 5.5 billion. This is mainly due to new orders and the increase in projects under construction.

Source: Company data as of June 30, 2024

Notes:

(1) Capital expenditure refers to the overall outflow of funds for acquiring property and equipment, intangible assets, land use rights, engaging in mergers and acquisitions as well as long-term investments

Guidance

RMB MM	FY2023 Actual	FY2024 Original Guidance	<i>Implied YoY</i>	FY2024 Revised Guidance	<i>Implied YoY</i>
Revenues	7,413	7,800 - 8,000	5.2% - 7.9%	Unchanged	-
Adjusted EBITDA	2,039	2,220 - 2,280	8.9% - 11.8%	Unchanged	-
Capex	3,578	3,700 - 4,200	0.0% - 11.8%	5,000 - 5,500	39.7% - 53.7%

ESG Initiatives – Commitment to Sustainability



Commitment to achieve both targets of operational **carbon neutrality** and **100% renewable energy usage** by 2030



Received **A** rating by MSCI, representing the **highest** ranking to-date in China's Internet Services & Infrastructure industry



Scored 53 by the S&P Corporate Sustainability Assessment, ranking the **highest** among China's IT Services industry and in the top **11%** in the industry globally. Recognized in S&P Global's Sustainability Yearbook (China) for two consecutive years (2023 and 2024).



Achieved **B** rating from CDP's climate change questionnaire, exceeding that of **94%** of participating companies in China



The average annual power usage effectiveness (PUE) of data centers with stabilized operations in 2023 was 1.29.

Appendix

Wholesale Capacity in Service – Yangtze River Delta

Region	IDC Code	Tenure	Capacity in Service (MW)	Capacity Utilized (MW)	Total Capacity Committed ⁽¹⁾ (MW)	Utilization Rate ⁽²⁾	Commitment Rate ⁽³⁾
Yangtze River Delta	E-JS Campus 01 Phase 1	Owned	28	26	28	91.1%	99.7%
	E-JS Campus 01 Phase 2	Owned	16	8	12	49.8%	75.2%
	E-JS Campus 02 A	Owned	25	24	25	95.5%	100.0%
	E-JS Campus 02 B	Owned	24	23	24	92.8%	100.0%
	E-JS Campus 02 C	Owned	26	13	26	47.8%	100.0%
	E-JS02 A	Leased	13	12	13	95.0%	100.0%
	E-JS02 B	Leased	13	12	13	96.4%	100.0%
	E-JS02 C	Leased	13	12	13	95.0%	100.0%
	E-JS03	Leased	15	5	15	34.1%	100.0%
Subtotal			174	135	169	77.7%	97.7%

Source: Company data as of June 30, 2024

Notes:

(1) Total capacity committed is the capacity committed to customers pursuant to customer agreements remaining in effect

(2) Utilization rate is calculated by dividing utilized capacity by customers by the capacity in service. For the purpose of calculating of utilization rate of wholesale capacity, certain projects hosted in E-JS02 data center with an aggregate of 27MW capacity were excluded and are expected to be continuously excluded from in-service wholesale due to pending commercial discussion with the client on potential repurchase of the projects by the client Such projects were included as in-service wholesale from the first quarter of 2021 to the fourth quarter of 2023, given such projects had been delivered to the client based on the terms of MOU

(3) Commitment rate is calculated by total capacity committed divided by total capacity in service

Wholesale Capacity in Service – Greater Beijing Area

Region	IDC Code	Tenure	Capacity in Service (MW)	Capacity Utilized (MW)	Total Capacity Committed ⁽¹⁾ (MW)	Utilization Rate ⁽²⁾	Commitment Rate ⁽³⁾
Greater Beijing Area	BJ15	Owned	9	4	7	39.1%	77.7%
	N-HB02 Phase 1	Owned	28	28	28	98.2%	99.3%
	N-HB02 Phase 2	Leased	19	13	19	71.7%	99.8%
	N-HB03	Leased	12	6	12	49.1%	100.0%
	N-OR02	Leased	29	28	29	96.9%	100.0%
	N-OR04	Leased	14	14	14	95.3%	100.0%
	N-OR05	Leased	16	15	16	93.4%	100.0%
	N-OR06	Leased	32	11	32	33.0%	100.0%
Subtotal			158	117	157	73.8%	98.5%
Total			332	252	326	75.9%	98.1%

Source: Company data as of June 30, 2024

Notes:

(1) Total capacity committed is the capacity committed to customers pursuant to customer agreements remaining in effect

(2) Utilization rate is calculated by dividing utilized capacity by customers by the capacity in service. For the purpose of calculating of utilization rate of wholesale capacity, certain projects hosted in E-JS02 data center with an aggregate of 27MW capacity were excluded and are expected to be continuously excluded from in-service wholesale due to pending commercial discussion with the client on potential repurchase of the projects by the client Such projects were included as in-service wholesale from the first quarter of 2021 to the fourth quarter of 2023, given such projects had been delivered to the client based on the terms of MOU

(3) Commitment rate is calculated by total capacity committed divided by total capacity in service

Wholesale Capacity Under Construction & Held for Future Development

Under Construction

Region	IDC Code	Tenure	Capacity Under Construction (MW)	Total Capacity Pre-committed (MW) ⁽¹⁾	Pre-commitment rate ⁽²⁾	Ready for Service
Yangtze River Delta	E-JS Campus 02 D	Owned	26	26	100.0%	2H24
	E-JS Campus 02 E	Owned	65	65	100.0%	2H24
	E-JS Campus 03	Owned	30	-	-	1H25
	E-JS04	Leased	7	7	100.0%	2H24
Greater Beijing Area	N-HB Campus 01 B	Owned	3	3	83.3%	2H24
	BJ18	Owned	5	-	-	1H25
	N-HB04	Leased	14	14	100.0%	1H25
	N-OR Campus 01	Owned	129	124	96.1%	2H24
Total			279	238	85.5%	-

Held for Future Development

Region	Capacity (MW)
Greater Beijing Area	436
Yangtze River Delta	92
Total	527

Source: Company data as of June 30, 2024

Notes:

(1) Total capacity pre-committed is the capacity under construction which is pre-committed to customers pursuant to customer agreements remaining in effect

(2) Pre-commitment rate is calculated by total capacity pre-committed divided by total capacity under construction

Key P&L Items

Amount in thousands	Three months ended			
	June 30, 2023	March 31, 2024	June 30, 2024	
	RMB	RMB	RMB	US\$
Net revenues	1,821,744	1,898,126	1,993,760	274,351
Cost of revenues	(1,478,995)	(1,487,405)	(1,568,865)	(215,883)
Gross profit	342,749	410,721	424,895	58,468
Sales and marketing expenses	(63,068)	(71,743)	(58,225)	(8,012)
Research and development expenses	(81,126)	(75,389)	(61,998)	(8,531)
General and administrative expenses	(128,017)	(226,297)	(107,297)	(14,765)
Operating profit	93,266	46,416	194,622	26,781
Net Interest expense	(61,671)	(125,553)	(86,723)	(11,933)
Other, Net	13,872	3,392	23,575	3,244
Changes in the fair value of financial liabilities	154	3,858	712	98
Foreign exchange loss	(271,630)	(28,361)	(4,387)	(604)
(Loss) income before income taxes and gain from equity method investments	(226,009)	(100,248)	127,799	17,586
Income tax expenses	(12,545)	(61,384)	(59,149)	(8,139)
Gain from equity method investments	983	2,606	3,199	440
Net (loss) income	(237,571)	(159,026)	71,849	9,887

GAAP to Non-GAAP Reconciliations

Amount in thousands	Three months ended				
	June 30, 2023 RMB	March 31, 2024 RMB	RMB	June 30, 2024 US\$	
Gross profit	342,749	410,721		424,895	58,468
Plus: depreciation and amortization	400,173	352,604		364,616	50,173
Plus: share-based compensation expenses	-	2,190		(2,190)	(301)
Adjusted cash gross profit	742,922	765,515		787,321	108,340
<i>Adjusted cash gross margin</i>	<i>40.8%</i>	<i>40.3%</i>		<i>39.5%</i>	<i>39.5%</i>
Operating profit	93,266	46,416		194,622	26,781
Plus: depreciation and amortization	433,735	379,551		394,334	54,262
Plus: share-based compensation expenses	8,006	113,871		(15,152)	(2,085)
Adjusted EBITDA	535,007	539,838		573,804	78,958
<i>Adjusted EBITDA margin</i>	<i>29.4%</i>	<i>28.4%</i>		<i>28.8%</i>	<i>28.8%</i>

Key Balance Sheet Items

Amount in thousands	As of December 31, 2023	As of June 30, 2024	
	RMB	RMB	US\$
Cash, cash equivalents and Restricted cash	5,098,987	2,135,833	293,900
Accounts and notes receivable, net	1,715,975	1,802,572	248,042
Property and equipment, net	13,024,393	14,281,580	1,965,211
Land use rights, net	602,503	593,309	81,642
Operating lease right-of-use assets, net	4,012,329	4,384,000	603,258
Total assets	30,385,903	29,118,549	4,006,846
Accounts and notes payable	696,177	726,827	100,015
Borrowings	5,866,846	8,341,314	1,147,803
Finance lease liabilities	1,275,331	1,237,881	170,338
Operating lease liabilities	4,050,923	4,456,884	613,287
Convertible promissory notes	5,978,441	1,781,082	245,085
Total liabilities	23,871,520	22,573,944	3,106,278
Total VNET Group, Inc. shareholders' equity	6,014,415	6,008,484	826,795
Noncontrolling interest	499,968	536,121	73,773
Total shareholders' equity	6,514,383	6,544,605	900,568
Total liabilities and shareholders' equity	30,385,903	29,118,549	4,006,846

Key Cash Flow Items

Amount in thousands	Three months ended			
	June 30, 2023	March 31, 2024	June 30, 2024	
	RMB	RMB	RMB	US\$
Net cash generated from operating activities	423,476	267,587	405,204	55,758
Net cash used in investing activities	(1,051,510)	(650,940)	(1,027,098)	(141,334)
Net cash (used in) generated from financing activities	(49,153)	(2,605,658)	664,431	91,429
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	51,314	(20,050)	3,370	464
Net (decrease) increase in cash, cash equivalents and restricted cash	(625,873)	(3,009,061)	45,907	6,317
Cash, cash equivalents and restricted cash at beginning of period	3,242,842	5,098,987	2,089,926	287,583
Cash, cash equivalents and restricted cash at end of period	2,616,969	2,089,926	2,135,833	293,900

Definitions

Term	Definition
IDC Business	IDC business refers to managed hosting services, consisting of the wholesale IDC business and the retail IDC business. Beginning in the first quarter of 2024, our IDC business was subdivided into wholesale IDC business and retail IDC business according to the nature and scale of our data center projects. Prior to 2024, the subdivision was based on customer contract types.
Non-IDC Business	Non-IDC business consists of cloud services and VPN services
VPN Services	Virtual private network provided by VNET, including Multiprotocol Label Switching (“MPLS”), software-defined wide area network (“SD-WAN”), internet access and network security solutions, and fully managed network enabling connectivity to enterprises across various industries
Cloud Services	Microsoft’s cloud services, including Azure, Microsoft 365, Dynamics 365 and Power Platform, operated by VNET as strategic partner to customers in mainland China
Capacity in Service	Data centers which are ready for service
Capacity Under Construction	Data centers which are actively under construction and have not yet reached the stage of being ready for service
Capacity Held for Future Development	Refers to the secured IDC resources that have been reserved for future development purposes and are not currently active for construction.
Mature Capacity for Wholesale Data Centers	Refers to wholesale data centers in which utilization rate is at or above 80%.
Ramp-up Capacity for Wholesale Data Centers	Refers to wholesale data centers in which utilization rate is below 80%.
Mature Capacity for Retail Data Centers	Refers to retail data centers that came into service prior to the past 24 months.
Ramp-up Capacity for Retail Data Centers	Refers to retail data centers that came into service within the past 24 months, or mature retail data centers that have undergone improvements within the past 24 months.
Utilized Capacity	Capacity in service that is committed to customers and revenue generating pursuant to the terms of customer agreements remaining in effect
Utilization Rate	The utilization rate (“UR”) is calculated by dividing utilized capacity by customers by the capacity in service.
Total Capacity Committed	Total capacity committed is the capacity committed to customers pursuant to customer agreements remaining in effect.
Total Capacity Pre-committed	Total capacity pre-committed is the capacity under construction which is pre-committed to customers pursuant to customer agreements remaining in effect.
Commitment Rate	Commitment rate is calculated by total capacity committed divided by total capacity in service.
Pre-commitment Rate	Pre-commitment rate is calculated by total capacity pre-committed divided by total capacity under construction.
MRR per Retail Cabinet	MRR per retail cabinet refers to monthly recurring revenues per cabinet for the retail IDC business
MW	Megawatt
BTH	Beijing-Tianjin-Hebei Region
PUE	Power usage effectiveness, a ratio of the total power usage of a data center to the power usage of the IT equipment inside a data center

THANKS!

<http://ir.vnet.com>

Email: ir@vnet.com

IR Contact: Xinyuan Liu