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21Vianet Group, Inc. Investor Presentation

August 2020



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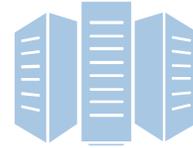
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Company Overview



28.8% YoY
Net revenue growth

17.5% YoY
Adj. EBITDA growth



4,404 R
Net adds

44,050 R
Total capacity



Sales momentum

Retail IDC

Started severing China Everbright Bank

Wholesale IDC

~130MW committed under MOUs



USD 150mm
Preferred shares by **Blackstone**



Pioneer and Leader



- ✓ A leading **carrier-neutral and cloud-neutral data center services provider in China** with 20+ years of experience
- ✓ ~11%⁽¹⁾ **market share** in 2019
- ✓ Provides **Managed Hosting Services, Cloud Services and VPN Services**

Market Potential⁽²⁾



- ✓ China's carrier-neutral data center services market is **fast growing**
- ✓ **Favorable government policies** accelerate the construction of integrated, large-scale data centers
- ✓ **Adoption of new disruptive technologies** creates massive demand for data usage, storage and analytics

Future Upside



- ✓ **Dual-core strategy** addressing both wholesale and retail IDC market opportunities.
- ✓ **Accelerate capacity roll-out** and enrich value added services
- ✓ Invest in **technology**

Source:

1. China's carrier-neutral data center services market only, Frost & Sullivan 2020
2. Frost & Sullivan 2020

Dual-core Strategy for IDC Business

Retail

Turn-key hybrid cloud solutions + Value added services

Focus on **high-growth verticals**:



Fintech



Online streaming



Mobile IoT



Internet

Wholesale

Hyperscale IDC + Wholesale colocation

Targeting **large enterprise customers**:



Our Strength:

- ✓ Scalable IDCs located in strategic tier-1 and satellite cities provide reliable interconnectivity offerings
- ✓ Turn-key hybrid cloud solutions tailored for various industry verticals help clients to better prepare for the era of 5G and cloud computing
- ✓ Established supply chain as well as comprehensive planning and service capabilities



Our Strength:

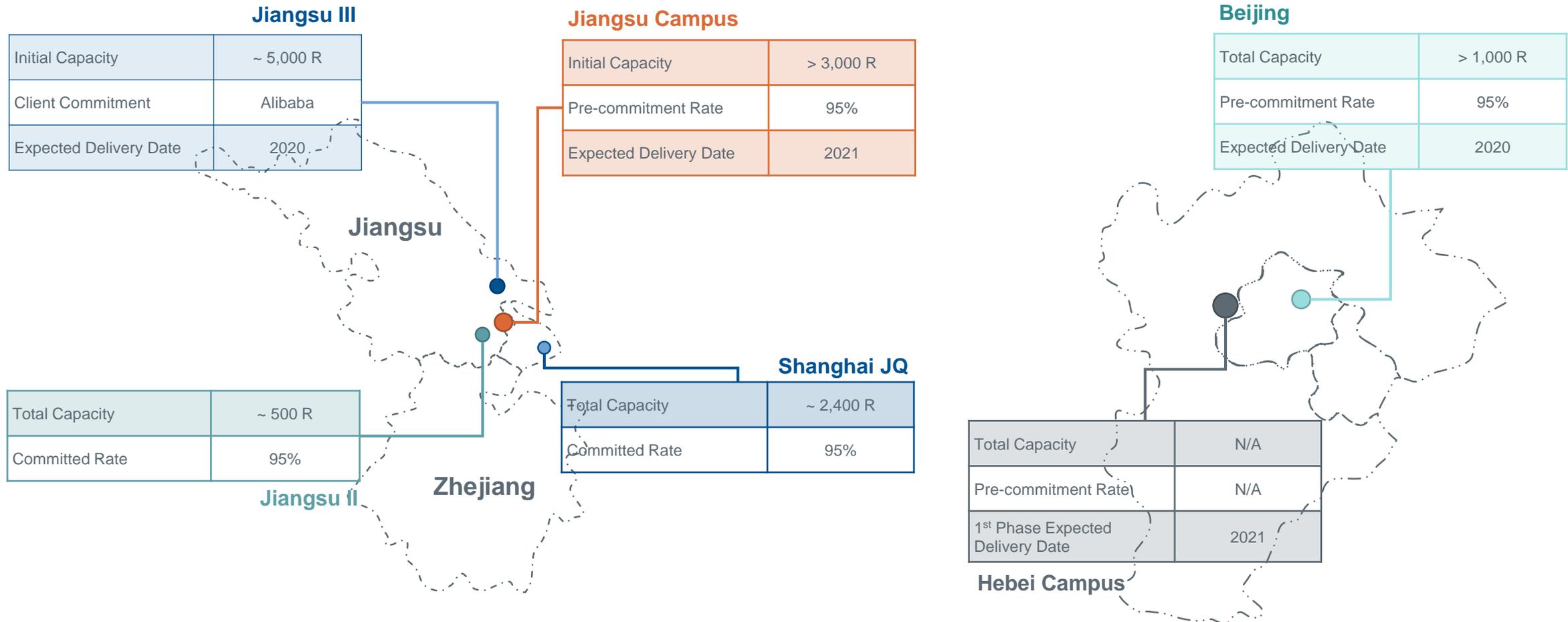
- ✓ Dedicated team with 20+ years of experience in IDC design, construction, and operations
- ✓ Providing customized solutions suitable for client needs
- ✓ Hyperscale cloud customers are able to leverage our platform to establish relationship with our diverse retail customers

Resource Pipeline to Support IDC Growth

IDC Pipeline Capacity ⁽¹⁾	Tenure	Status	1H20	2H20	FY2020	FY2021
Beijing East II	Leased	Under Construction		~1,400	~1,400	
Beijing West Phase II	Leased	Under Construction		~1,100	~1,100	
Beijing South Phase II	Leased	Under Construction				~1,100
Guangzhou SC Phase II	Leased	Under Construction		~3,500	~3,500	
HeBei Campus	Owned	Greenfield				N/A
Jiangsu Campus	Owned	Under Construction				~6,000
Jiangsu II	Leased	Ready for Sale	~1,400		~1,400	
Jiangsu III	Leased	Under Construction	~2,000	~1,000	~3,000	~2,000
Shanghai SJ Phase II	Owned	Under Construction		~2,000	~2,000	
Shanghai WGQ	Owned	Ready for Sale	~2,400		~2,400	~4,300
Shanghai JQ ^{NEW}	Leased	Fully Utilized	~2,400		~2,400	
HeBei II ^{NEW}	Owned	Brownfield				~2,000
Secured Resources					~17,000	~15,000
Expansion Target			~8,200	~9,000	~17,000	15,000
Estimated Growth						
YoY. Revenue Growth %					24% - 29%	23% - 27%
YoY. Adj. EBITDA Growth %					22% - 31%	35% - 40%

1. Capacity: cabinet number includes blank space.

Ongoing Development of Wholesale Projects



The total signed MOUs have committed about 130 MW for our wholesale customers

Investment Highlights



```
mirror object to mirror
mirror_mod.mirror object
operation == "MIRROR_X":
mirror_mod.use_x = True
mirror_mod.use_y = False
mirror_mod.use_z = False
operation == "MIRROR_Y":
mirror_mod.use_x = False
mirror_mod.use_y = True
mirror_mod.use_z = False
operation == "MIRROR_Z":
mirror_mod.use_x = False
mirror_mod.use_y = False
mirror_mod.use_z = True

#selection at the end -add
mirror_ob.select= 1
mirror_ob.select=1
context.scene.objects.active
("Selected" + str(modifier
mirror_ob.select = 0
bpy.context.selected_obj
data.objects[one.name].select
print("please select exactly
OPERATOR CLASSES
types.Operator):
X mirror to the selected
object.mirror_mirror_x"
mirror X"
context):
active_object is not
```



A Pioneer and Leader in China's Carrier-neutral IDC Market with a Strong Brand Recognition



Premium Data Centers Located Strategically in Major Internet Hubs



Differentiated Business Model with a Comprehensive Service Offering



Large, Diversified and Loyal Customer Base

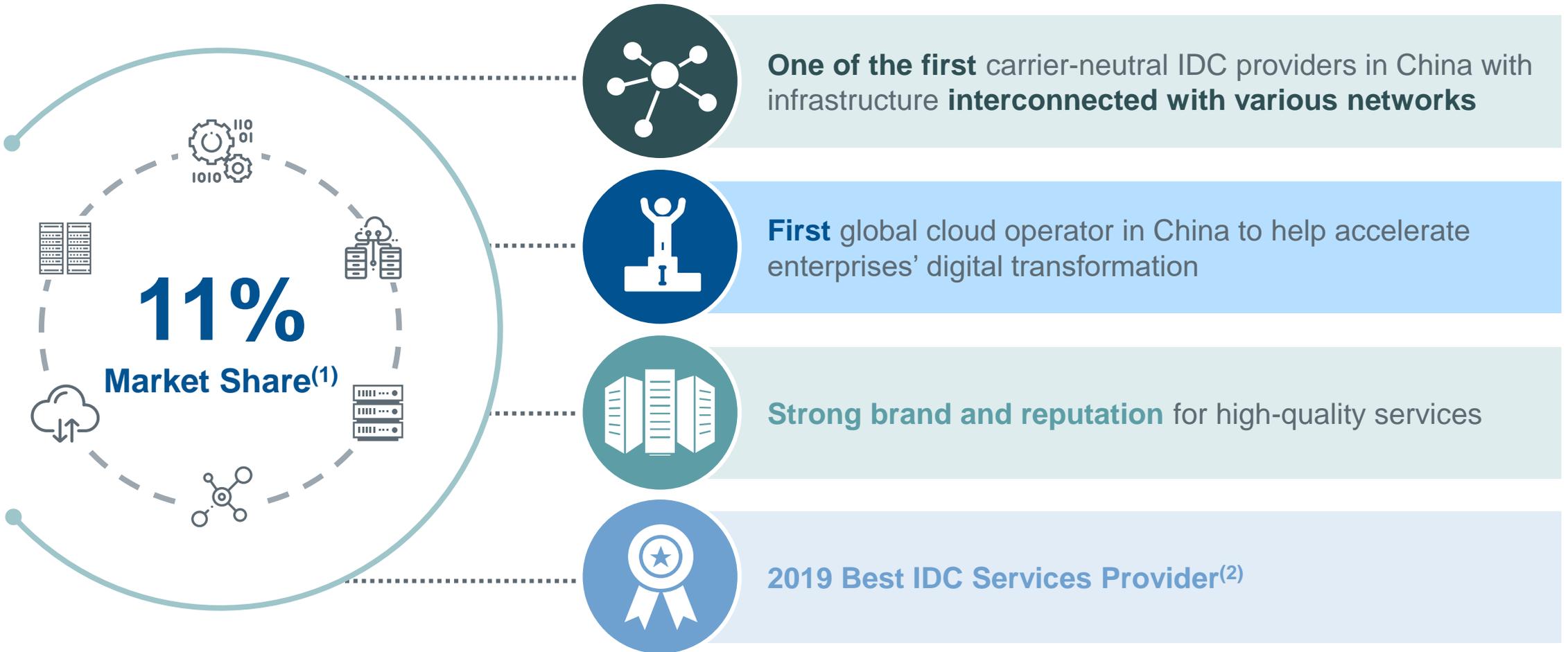


In-depth Industry Expertise with Strong Research and Development Capabilities



Visionary Management Team with Executional Excellence

A Pioneer and Leader in China's Carrier-neutral IDC Market

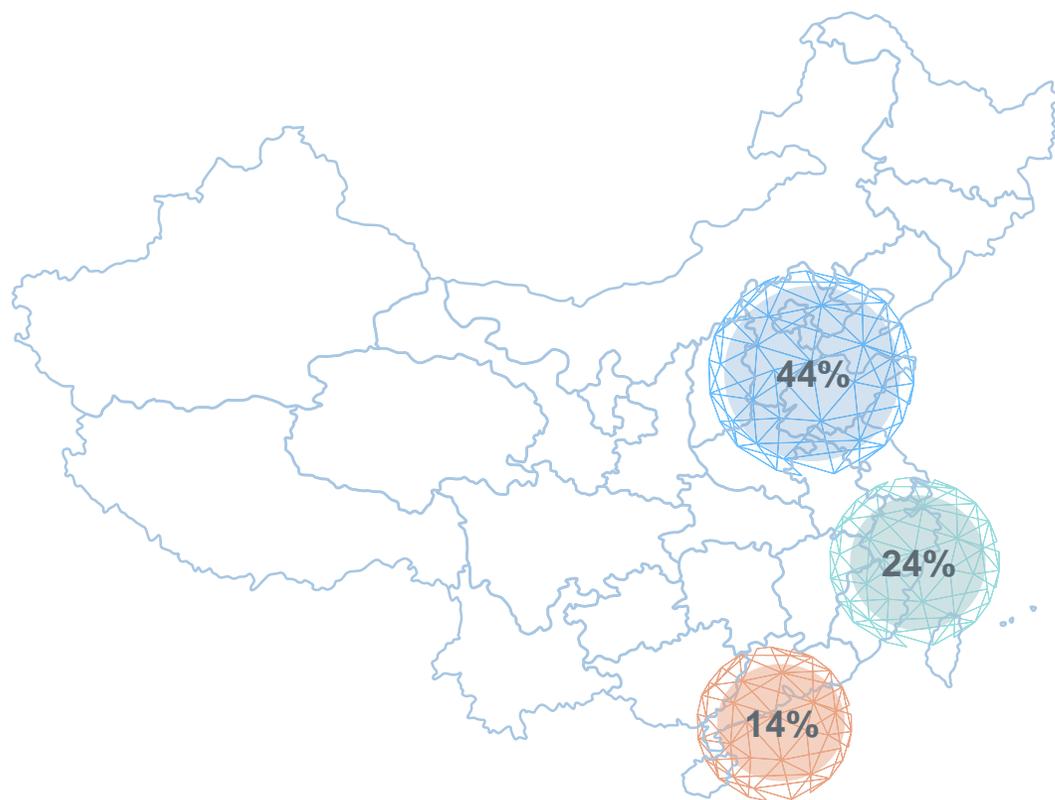


Leading carrier-neutral, cloud-neutral and tech agnostic IDC services provider in China with 20+ years of experience

Source:

1. Frost & Sullivan 2020
2. Award granted by CTDC Summit in 2019

Premium Data Centers Located in Major Internet Hubs



Self-built Data Centers

- We operate 30 self-built data centers with ~40,200 cabinets

	# of Self-built Cabinets	% Contribution
Beijing	~17,800	44%
Shanghai & Hangzhou	~9,800	24%
Great Bay Area	~5,700	14%
Satellite Cities	~3,400	8%
Others	~3,500	10%
Total	~40,200	100%



BJ 1



BJ 7



SH 1



GD 1

Partnered Data Centers

- We also operate 53 partnered data centers with ~3,900 cabinets

✓ Favorable Supply-demand Dynamics

✓ Early Mover Advantage Creates Barrier of Entry

✓ Superior and Scalable Interconnectivity

✓ Efficient and Cost Effective Connection

Product Offerings

- Co-location
- Inter-connectivity
- Hybrid IT services
- Other value-added services
- Customized, high-power density solutions

Microsoft Cloud Services

- Long-term strategic partnership with Microsoft in China for public and hybrid cloud services

Microsoft Azure
由世纪互联®运营

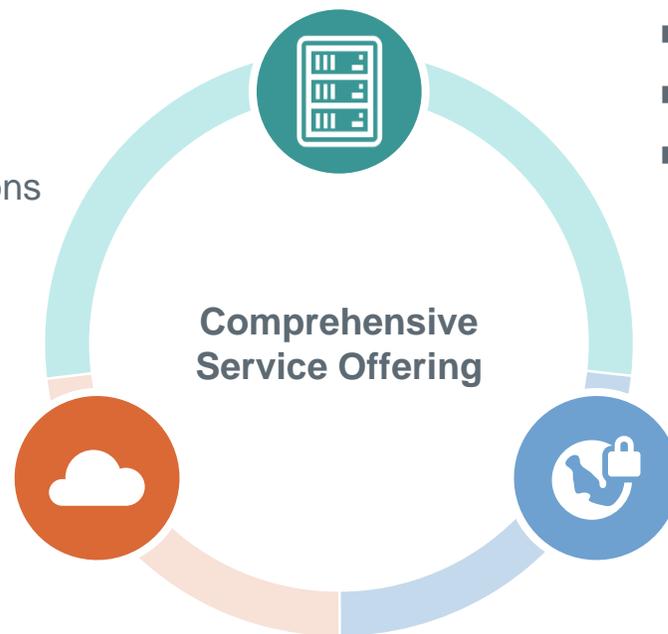
Microsoft Office 365

Microsoft Dynamics 365

IDC Services

“Dual core”

Retail + Wholesale



Our Strength

- Multi-carrier & multi-cloud connectivity
- High-performing facility & network
- Turn-key solutions tailored for customer needs
- Long track record of outstanding operation performance

VPN⁽¹⁾ Services

- Customized VPN solutions for enterprise customers across various industry verticles
- Offer VPN services via Dermot Entities⁽²⁾

Source: Company filings.

1. Virtual private network.

2. Dermot Holdings Limited and it subsidiaries.

Large, Diversified and Loyal Customer Base

Retail

- ~1,200+ enterprise customers for retail IDCs: 70% internet customers and 30% financial institutions and Government Owned Enterprise (GOE)

- Over 90% of net revenues have been recurring revenues since IPO

- Maintain low concentration of risk with top 20 customers contributing 30.7% of total revenues in 2Q20



Wholesale

- Since 2020, Company begins to generate revenue from wholesale customers
- Secured 130MW committed capacity from signed MOUs

In-depth Industry Expertise with Strong R&D Capabilities

Innovative and Recognized Technology

- ✓ Power Management
- ✓ Smart Routing
- ✓ Energy Recycling
- ✓ Environmental Controls



172 Dedicated Engineering Professionals⁽¹⁾

114 Approved and Pending Patents⁽¹⁾

148 Copyright Certifications⁽¹⁾

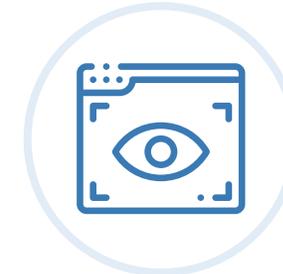
Secure and Reliable Data Centers



Superior Interconnectivity



Highly Secure Buildings & Data Floors



Hypersensitive Detection & Supervision



99.9% Network Connectivity Uptime



99.99% Power Uptime⁽²⁾

1. As of Jun 30, 2020
2. For self-built data centers

Visionary Management Team with Executional Excellence



Josh Sheng CHEN

Founder and Chairman

China Energy
Internet Alliance



清华大学互联网产业研究院
Institute of Internet Industry, Tsinghua University



Alvin Shiqi WANG

Chief Executive Officer and President



启迪数字集团
Tus-Digital Group

ERICSSON



Sharon Xiao LIU

Chief Financial Officer

KPMG



AICPA



Samuel SHEN

Executive Chairman, Retail IDC



JDCloud



Microsoft



Chunfeng CAI

Chief Operating Officer



ChinaCache



Tim CHEN

Chief Strategy Officer

Morgan Stanley J.P.Morgan



Johnny Qihang LIU

President, Microsoft Cloud Business Unit

SONY



Microsoft



Financial Overview

2Q20 Financial Highlights

CNY'000	2Q19	1Q20	2Q20	YoY	QoQ
Net revenues	888,020	1,090,797	1,144,061	28.8%	4.9%
Gross profit	228,248	234,111	272,332	19.3%	16.3%
Adjusted cash gross profit ⁽¹⁾	403,809	417,127	467,552	15.8%	12.1%
<i>Adjusted cash gross margin</i>	<i>45.5%</i>	<i>38.2%</i>	<i>40.9%</i>	<i>-4.6 bps</i>	<i>2.6 bps</i>
Adjusted EBITDA⁽²⁾	260,727	259,389	306,414	17.5%	18.1%
<i>Adjusted EBITDA margin</i>	<i>29.4%</i>	<i>23.8%</i>	<i>26.8%</i>	<i>-2.6 bps</i>	<i>3.0 bps</i>

CNY'000	Dec-17	Dec-18	Dec-19	Jun-20
Cash & cash equivalents, Restricted cash and Short-term investments	2,744,359	2,906,035	2,721,033	4,979,913

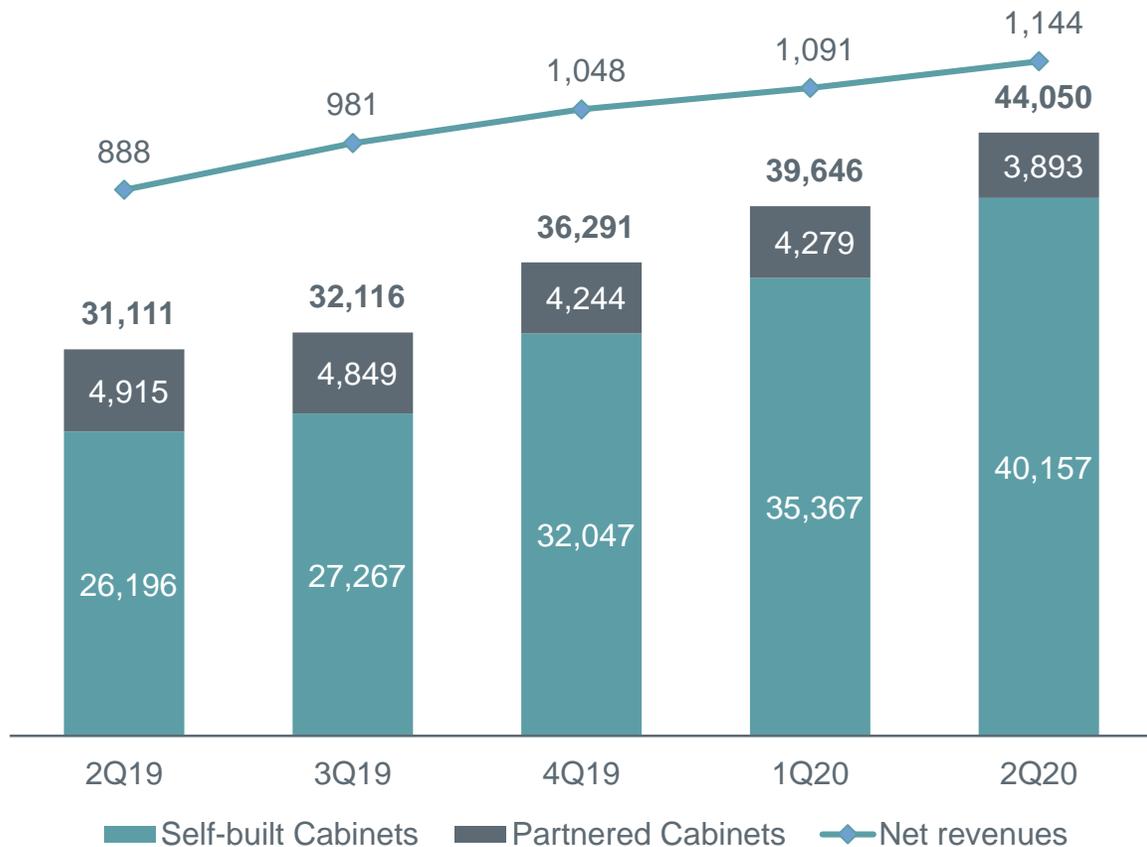
Source: Company filings, data as of Jun 30, 2020.

- Adjusted cash gross profit defined as gross profit excluding depreciation, amortization and share-based compensation expenses.
- Adjusted EBITDA defined as EBITDA excluding share-based compensation expenses, impairment of receivables from equity investees.

Sustainable Growth Driven by New Capacity Expansion

Net Revenue & Cabinets (1)

(RMB mm)



Retail IDC MRR per Cabinet (2)

(#)

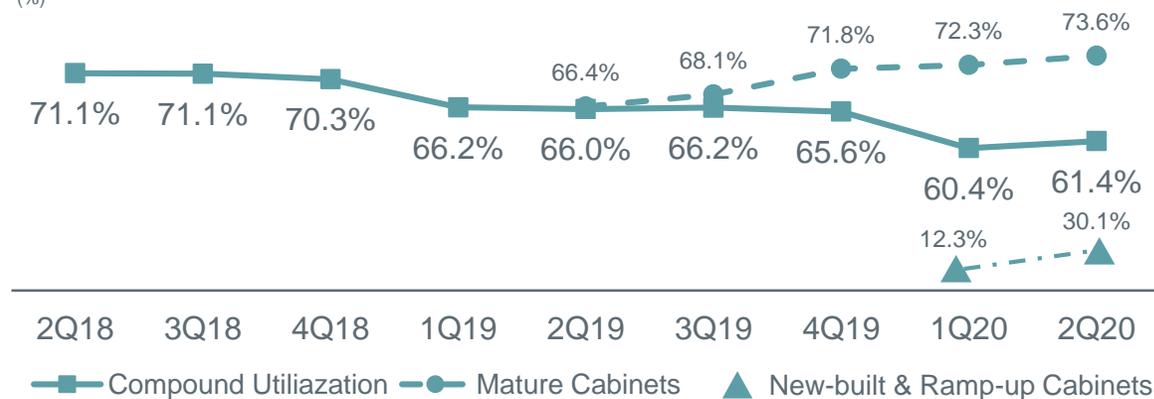
(RMB)

(CNY)



Utilization Rate (3)

(%)



Source: Company filings, data as of Jun 30, 2020

1. Numbers of cabinets are measured by the actual numbers at the end of each quarter.

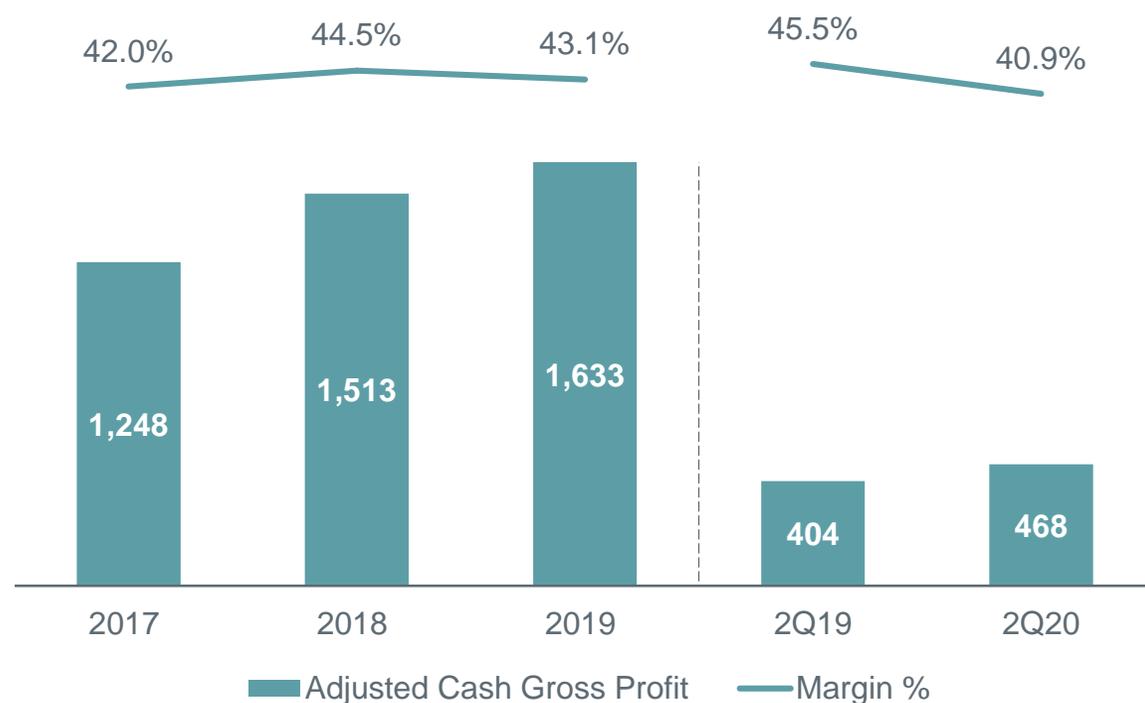
2. MRRs refers to Monthly Recurring Revenues, and are based on the Company's retail IDC business.

3. Utilization rates are based on quarterly average rates. The dotted line refers the utilization rate for cabinets built before 2019; The triangle refers the utilization rate for cabinet built Since 2019.

Margin Improvements Through Efficiency Enhancement

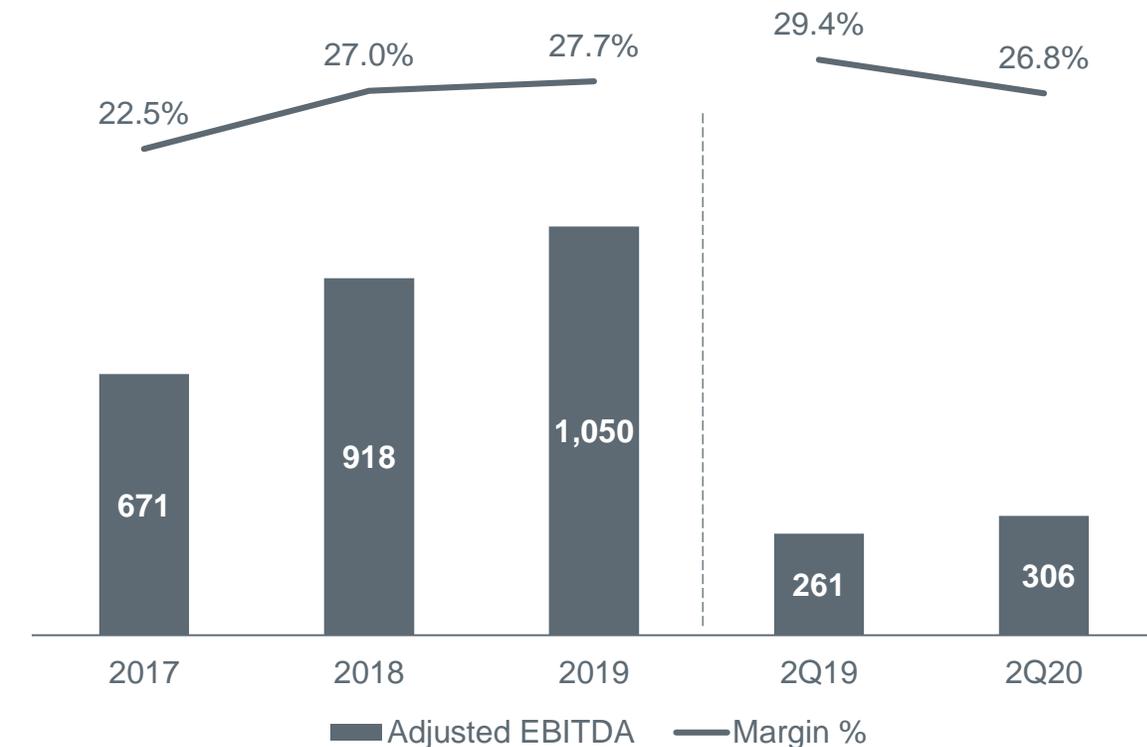
Adjusted Cash Gross Profit & Margin ⁽¹⁾

(RMB mm)



Adjusted EBITDA & Margin ⁽²⁾

(RMB mm)



**Temporary margin pressure caused by concentrated new capacity delivery;
long-term upward trend supported by utilization improvement and future operating leverage**

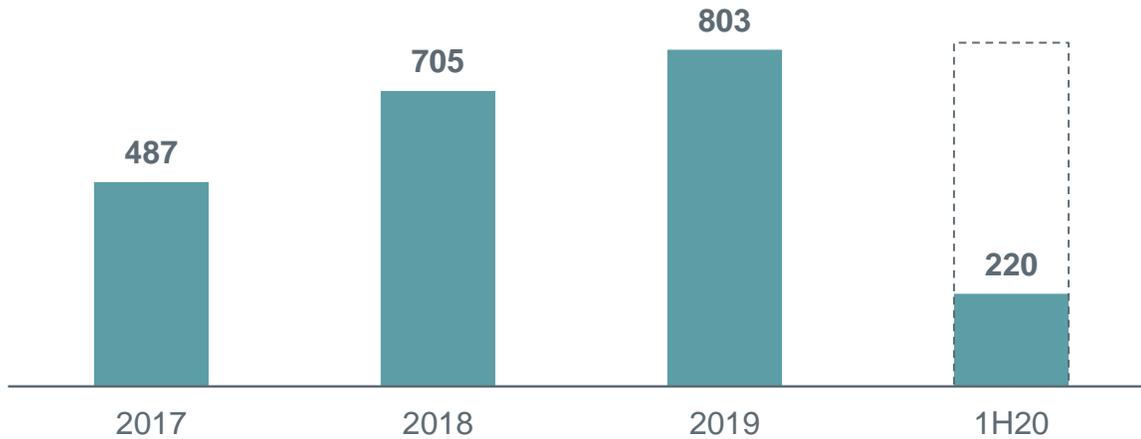
Source: Company filings, data as of Jun 30, 2020

- Adjusted cash gross profit defined as gross profit excluding depreciation, amortization and share-based compensation expenses.
- Adjusted EBITDA defined as EBITDA excluding share-based compensation expenses, impairment of receivables from equity investees.
- Excluding MNS segment; margin based on revenue excluding MNS

Healthy Cash Flow Generation and Capital Expenditure

Operating Cash Flow

(RMB MM)

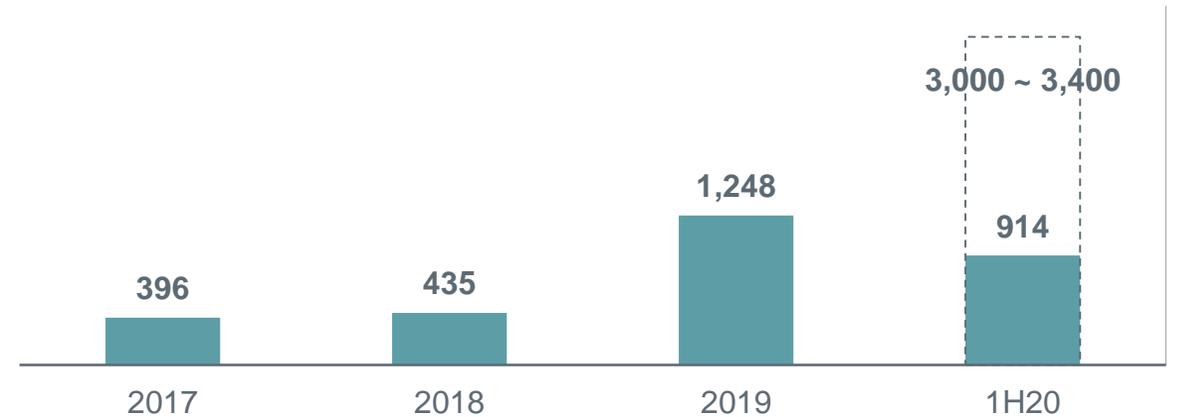


Key Drivers

- Continuously increasing cash flow from operations
- Mainly driven by growing top line and improved operating leverage

Capital Expenditure

(RMB MM)

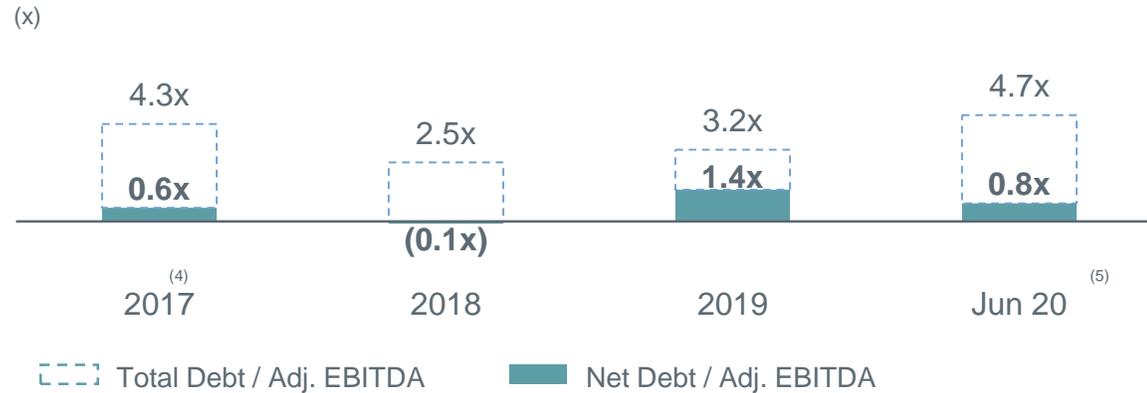


Key Capital Expenditure Spending & Expected Capacity Expansion

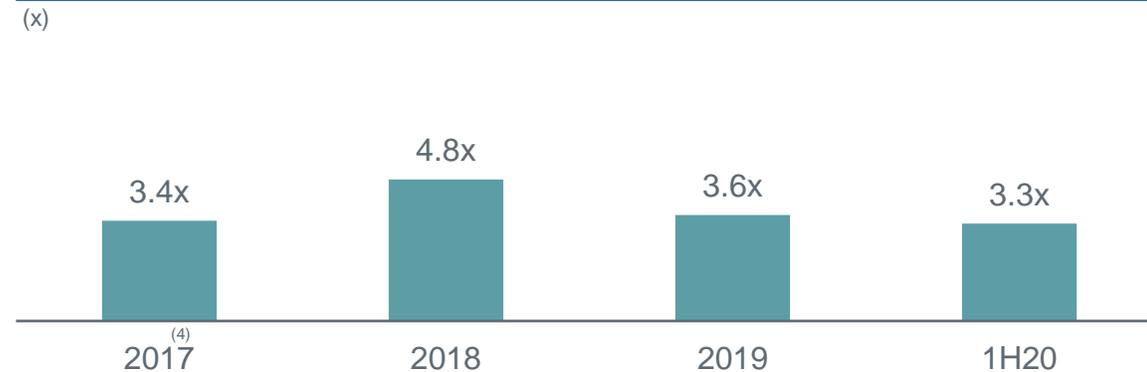
- Capex mainly include expenditure for data center property, construction and equipment procurement
- Additional Capex for leasehold improvement and M&A projects

Healthy Capital Structure Thanks to Prudent Financial Policies & Various Financing Channels

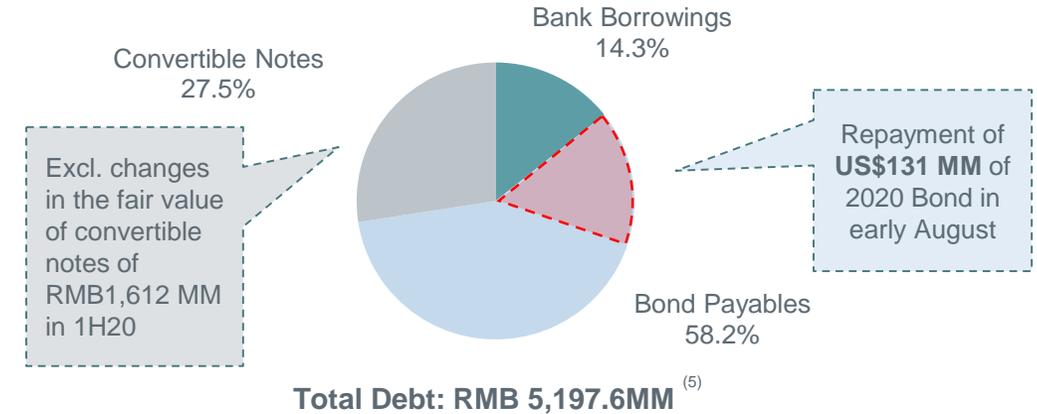
Total Debt or Net Debt⁽¹⁾⁽²⁾ / Adjusted EBITDA⁽³⁾



Adjusted EBITDA Interest Coverage⁽³⁾⁽⁶⁾



Debt Structure as of June 30, 2020



Prudent Financial Policies and Various Financing Channels

- We have applied stable and steady financial policies and prudently utilizes debt financing based on business needs. We have diversified financing channels and our current debt structure is a balanced mix of bank borrowings, bond payables and convertible notes
- We received Blackstone's investment of US\$150 million in the form of preferred shares on June 22, 2020

Source: Company filings, data as of June 30, 2020

1. Total Debt = Short-term and long-term bank borrowings + Bond Payables + Convertible Notes
2. Net Debt = Total Debt – Cash and Cash Equivalent
3. Jun 20 multiples are based on LTM Adjusted EBITDA as of June 30
4. FY2017 adjusted EBITDA including MNS
5. Excluding change in the fair value of convertible notes from 1H20 convertible notes
6. Adjusted EBITDA Interest Coverage = Adjusted EBITDA / Net Interest Expense (interest expense – interest income)

CNY mm	3Q19 A	2Q20 A	3Q20 E	YoY ⁽¹⁾
Revenues	981	1,144	1,230 – 1,250	26.4%
Adjusted EBITDA	273	306	340 - 360	28.2%

CNY mm	2019 A	Previous 2020 E	Updated 2020 E	YoY ⁽¹⁾
Revenues	3,789	4,600 – 4,800	4,700 – 4,900	26.7%
Adjusted EBITDA	1,050	1,250 – 1,350	1,280 – 1,380	26.7%

Source: Company filings.

1. YoY represents the midpoints of the guidance ranges compared to the actual numbers in the previous year.

Thank You!

Leading carrier-neutral &
cloud-neutral service provider
in China



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