

**VNET First Quarter 2026 Earnings Conference Call**  
**May 26, 2026**

Corporate Speakers

- Xinyuan Liu; VNET Group; Head of Investor Relations
- Sharon Liu; VNET Group; Rotating President
- Peter Zhang; VNET Group; Senior Vice President of Operational Finance

Participants

- Tom Tang; Morgan Stanley; Analyst
- Edison Lee; Jefferies; Analyst
- Timothy Zhao; Goldman Sachs; Analyst
- Mingran Li; CICC; Analyst
- Daley Li; Bank of America Securities; Analyst
- Ethan Zhang; Nomura; Analyst
- Sara Wang; UBS; Analyst

**PRESENTATION**

**Operator**

Hello, ladies and gentlemen. Thank you for standing by for the First Quarter 2026 Earnings Conference Call for VNET Group, Inc. (Operator Instructions)

Participants from our management include Ms. Sharon Liu, Rotating President; Mr. Peter Zhang, SVP of Operational Finance; Ms. Xinyuan Liu, Head of Investor Relations of the company.

Please note that today's conference call is being recorded.

I will now turn the call over to the first speaker today, Ms. Xinyuan Liu.

Please go ahead.

---

**Xinyuan Liu *VNET Group, Inc. – Head of Investor Relations***

Thank you, operator. Hello everyone and welcome to our first quarter 2026 earnings conference call. Our earnings release was distributed earlier today, and you can find a copy on our IR website, as well as on newswire services.

Please note that today's call will contain forward-looking statements made under the Safe Harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from our current expectations. For detailed discussions of these risks and uncertainties, please refer to our latest annual report and other documents filed with the SEC. VNET does not undertake any obligations to update any forward-looking statements, except as required under applicable laws.

Please also note that VNET's earnings press release and this conference call include the disclosure of unaudited GAAP and non-GAAP financial measures. VNET's earnings press release contains a reconciliation of the unaudited non-GAAP measures to the unaudited GAAP measures. A summary presentation, which we will refer to during this conference call, can be viewed and downloaded from our IR website at <https://ir.vnet.com/>

Next, I'd like to alert you that we will be utilizing text-to-speech technology powered by Neolink.ai to deliver this quarter's prepared remarks by Ms. Sharon Liu, our rotating president, and Mr. Peter Zhang, our SVP of Operational Finance. The management team will join the Q&A session in person. Additionally, this conference is being recorded. A webcast of this conference call will also be available on our IR website at [ir.vnet.com](https://ir.vnet.com/).

Now, let's get started with today's presentation. Ms. Liu, please go ahead.

---

### **Sharon Liu *VNET Group, Inc – Rotating President***

Good morning and good evening, everyone. Thank you for joining our call today.

I'll start with an overview of our major accomplishments during the first quarter of 2026. We began this year with strong results thanks to strong execution of our effective dual-core strategy and Hyperscale 2.0 framework.

On the operational side, our wholesale IDC business delivered robust growth, driven by strong customer demand and fast customer move-ins. As of March 31, 2026, our wholesale capacity in service rose by 18 megawatts to 907 megawatts, in line with our plan to concentrate our capacity expansion deliveries in the second half of the year. Meanwhile, driven by customers' fast move-ins, wholesale capacity utilized by customers grew by 64 megawatts to 687 megawatts, bringing the utilization rate to 75.7%, up 5.6 percentage points quarter over quarter. Our retail IDC business continued to progress smoothly, supported by growing AI-driven demand. Retail MRR per cabinet increased slightly to RMB9,448 sequentially and retail utilization rate remained stable at 64.1% during the first quarter.

On the financial side, our total net revenues increased by 19.8% year over year to RMB2.69 billion for the first quarter. Wholesale revenues remained the key growth driver, reaching RMB1.06 billion, a significant year-over-year increase of 58.1%. Our adjusted EBITDA for the first quarter also increased by 30.6% year over year to RMB891.5 million, driven by the strong growth of our wholesale IDC business.

In addition, our premium, reliable services continue to earn customer trust and gain market share, evidenced by multiple high-quality order wins totaling 519 megawatts year-to-date 2026. I will go through the details on the next slide.

Moving on to our new order wins on slide 5.

Year-to-date 2026, order momentum remains strong, with three wholesale orders secured totaling 517 megawatts, fueled by continued growth in AI-driven demand for high-quality data center resources. We secured two orders, 110 megawatts and 400 megawatts, from an internet customer at separate data centers in the Greater Beijing Area. Meanwhile, another data center in the Greater Beijing Area won a 7-megawatt order from a local services customer.

Furthermore, bolstered by AI-driven demand, we also secured new retail orders totaling approximately 2 megawatts across multiple retail data centers, from customers in the local services, internet and IT services sectors.

This robust order momentum underscores our strengthened competitive positioning and growing ability to capture market share. At the same time, continued policy support for “AI+” initiatives is reinforcing industry tailwinds. Authorities are promoting the development of large-scale, clustered, green computing infrastructure, which is accelerating the broader adoption of computing power across industries and further expanding the addressable market.

Meanwhile, driven by the AI industry’s rapid progress, demand for AI-related computing power and data center resources is surging, driving the industry into a new growth phase. However, the effective supply of high-quality data centers remains relatively limited, constrained by utility and power quotas limitations in core regions. Against this backdrop, IDC players with long-term industry accumulation, sufficient resource reserves and project deployments in core regions are best-positioned to fully capture the structural opportunities arising from the expansion of AI demand.

As a pioneer in AIDC, VNET is poised to benefit from these structural shifts. Our high-performance, large-scale data center clusters, coupled with a robust resource pipeline in core regions, represent a significant advantage. Furthermore, our proven track record in rapid delivery and operation and maintenance excellence are competitive strengths that are becoming increasingly difficult to replicate at scale. Supported by favorable policies and an ongoing structural transformation within the industry, we are confident in our ability to consistently capture emerging market opportunities and cement our leadership position.

Now let’s delve into our business updates, starting with our wholesale business on slide 7. Our wholesale business continued to grow, with capacity in service increasing by 18 megawatts quarter over quarter to 907 megawatts. Utilized capacity grew by 64 megawatts sequentially to 687 megawatts, driving the utilization rate up to 75.7% from 70.1% last quarter, mainly attributable to customers’ fast move-ins at N-OR Campus 02A and N-HB Campus 03. Our mature capacity utilization rate also reached 93.8%, a relatively high level.

We have a clear growth path for our wholesale data center capacity. Let’s move on to slide 8. Our total wholesale resource capacity continued its upward trajectory, reaching 2.48 gigawatts as of March 31, 2026. Specifically, our capacity under construction rose to 516 megawatts with a pre-commitment rate of 85.8% year-to-date 2026; capacity held for short-term and long-term future development grew to 697 megawatts and 359 megawatts, respectively. It’s worth noting that the majority of the capacity reserved for future development is driven by resources we have secured at our Ulanqab IDC Campus, demonstrating our ability to secure critical resources and rapidly scale capacity in strategic regions. Our secured resources provide us with a meaningful competitive edge, particularly given the tightening effective supply in the IDC industry, and reinforce our confidence in the long-term growth potential driven by AI-related demand.

Moving to our retail IDC business on slide 9. Our retail business progressed smoothly in the first quarter. Retail capacity in service increased to 50,170 cabinets from 49,863 cabinets last quarter. The utilization rate remained stable at 64.1% as of the end of March. MRR per retail cabinet slightly increased to RMB9,448 this quarter.

Turning to our delivery plan on Slide 10. We delivered 18 megawatts in the first quarter of 2026, in line with our delivery plan, which concentrates the majority of the year's deliveries in the second half. We currently have eight data centers under construction, with seven in the Greater Beijing Area and one in the Yangtze River Delta. We plan to deliver 516 megawatts of capacity over the next 12 months, around 250 megawatts during the second and third quarters of 2026, and around 266 megawatts during the fourth quarter of 2026 and the first quarter of 2027, with the majority allocated to our data centers at the Ulanqab IDC Campus to meet the strong demand from wholesale customers.

In conclusion, our first quarter performance demonstrated both strategic effectiveness and execution strength. Looking forward, we will remain focused on advancing our dual-core strategy and Hyperscale 2.0 framework, further developing our scalable, green data center clusters and enhancing our comprehensive AIDC solutions to meet growing AI-driven demand. In parallel with our long-term strategy, we have also strengthened our shareholder base by welcoming new strategic investors. Non-controlled and non-consolidated affiliates of CATL have entered into a share purchase agreement to acquire up to approximately 38.1% of our shares from subsidiaries of Shandong Hi-Speed Holdings Group, with closing expected in the fourth quarter of this year. We would also like to express our sincere appreciation to SDHG for their trust in our vision and years of partnership and support in our growth journey. With non-controlled and non-consolidated affiliates of CATL's entry, we believe that this new relationship will generate meaningful strategic synergies and bring opportunities for fruitful collaboration across technological innovation, supply chain, and next-generation AI data center development, enhancing our long-term competitiveness and growth momentum. Overall, we remain confident in capturing the growth opportunities ahead and delivering sustainable long-term value for all shareholders.

Now, I will turn the call over to our SVP of Operational Finance, Peter, for further discussion of our operating and financial performance. Thank you, everyone.

---

**Peter Zhang *VNET Group, Inc – Senior Vice President of Operational Finance***

Good morning and good evening, everyone.

Before we start the detailed discussion of our financial performance, please note that, unless otherwise stated, all the financials we present today are for the first quarter of 2026 and are in Renminbi terms. Furthermore, unless otherwise specified, all the growth rates I am reviewing are on a year-over-year basis.

Let's turn to slide 12. In the first quarter, we continued to focus on high-quality development. Our total net revenues increased by 19.8% to RMB2.69 billion, mainly driven by the rapid growth of our wholesale business. Our adjusted cash gross profit rose by 25.1% to RMB1.21 billion, while our adjusted EBITDA also grew year over year by 30.6% to RMB891.5 million.

Let's look more closely at our topline. As you can see on slide 13, we have a new milestone this quarter, as wholesale revenues has surpassed retail revenues for the first time. Wholesale revenues, our key revenue growth driver, increased significantly by 58.1% to RMB1.06 billion for the first quarter, mainly attributable to activity at the N-OR Campus 01 and N-OR Campus 02A.

Retail revenues increased by 5.4% to RMB1.02 billion for the first quarter. Our non-IDC business revenues increased by 0.3% to RMB606.6 million for the first quarter.

During the first quarter, we maintained solid margins thanks to ongoing efficiency enhancement initiatives. As shown on slide 14, our adjusted cash gross margin improved to 45.0% from 43.1% in the same period last year. Our Adjusted EBITDA margin rose to 33.1%, compared with 30.4% in the same period last year.

Moving on to liquidity on slide 15. We maintained robust and healthy liquidity. Our net operating cash inflow reached RMB173.7 million during the first quarter. Excluding the impact of RMB119.1 million in income tax related to capital transactions and other one-off items, the net operating cash inflow for this quarter would be RMB292.8 million. Our cash position remained solid, with total cash and cash equivalents, restricted cash, and short-term investments reaching RMB8.80 billion as of March 31, 2026.

Next, let's take a look at our debt structure on slide 16. We maintained our prudent approach to debt management. As of March 31, 2026, our net debt to the adjusted last-quarter annualized EBITDA ratio was 3.8 and total debt to the adjusted last-quarter annualized EBITDA ratio was 6.1, both remaining at healthy levels. Our adjusted trailing twelve months EBITDA to interest coverage ratio was 5.8. We prioritize long-term debt maturity planning in our debt and strategic management to ensure the security of debt repayment. Currently, the Company's short- and medium-term debt maturing in 2026 to 2028 comprises 45.8 % of our total debt.

Turning now to CapEx spending on slide 17. Our CapEx was RMB1.91 billion in the first quarter, with the majority allocated to the expansion of our wholesale IDC business. We continue to expect our CapEx for the full year 2026 to be in the range of RMB10 billion to RMB12 billion, mainly to support our planned delivery of 450 to 500 megawatts in 2026.

We continued to advance our asset monetization strategy and made meaningful progress during the first quarter. As we mentioned on our last call, in March 2026, two of our private REIT projects were successfully listed on the Shanghai Stock Exchange, with a combined offering size of approximately RMB6.36 billion and an EV to EBITDA multiple of around 13x to 14x. By establishing a scalable, efficient capital recycling model, these REIT listings give us an advantage in this inherently capital-intensive industry, allowing us to reinvest in new project development. We expect to realize no less than RMB2 billion in total cash proceeds from our REIT-related initiatives this fiscal year, substantially strengthening our liquidity position and setting a new benchmark for sustainable growth in digital infrastructure.

Now moving to our full-year guidance for 2026 on slide 18. As we expect strong demand from our wholesale IDC customers and ongoing operational efficiency gains throughout 2026, we expect total net revenues to be in the range of RMB11.5 billion to RMB11.8 billion, a year-over-year increase of 15.6% to 18.6%, and adjusted EBITDA to be in the range of RMB3.55 billion to RMB3.75 billion, representing a year-over-year increase of 19.2% to 25.9%. The above outlook remains unchanged from the previously provided estimates.

Before I conclude, I'd like to briefly update you on our ESG efforts. Sustainability remains important to our business strategy, supporting our operational excellence and long-term growth. In April, we published our sixth ESG report, highlighting our ESG progress and achievements in 2025. Our average annual power usage efficiency improved to 1.24 in 2025, compared with 1.27 in 2024. Total renewable energy consumption accounted for 36% of total resources

utilized by VNET in 2025, compared with 18% in 2024. These accomplishments also won continued recognition from leading ESG rating agencies. We were included in the global edition of the S&P Global Sustainability Yearbook for two consecutive years, 2025 and 2026, and were also selected for the China edition for four consecutive years, where we were once again recognized among the Top 1% in IT services industry. Going forward, we will deepen our commitment to sustainability, strengthening our investments in intelligent infrastructure and green data center operations to create long-term, sustainable value.

To sum up, we delivered robust first-quarter results, reflecting continued strong execution and strategic direction. Looking ahead, we will stay focused on strengthening our core capabilities to capture the opportunities arising from accelerating AI adoption and digital transformation, delivering sustainable, high-quality growth and creating long-term value for all stakeholders.

This concludes our prepared remarks for today. We are now ready to take questions.

## QUESTIONS AND ANSWERS

### Operator

(Operator Instructions) Your first question comes from Tom Tang from Morgan Stanley.

---

### Tom Tang *Morgan Stanley – Analyst*

Thank you management for the opportunity to ask a question. So again, congratulations on a very strong result and winning the over 500-megawatt of order. So my question is on the delivery pattern of the new order. So how should we think about the time or the pattern we're going to deliver this 500-megawatt order? And also on a quarterly basis, what is impacted or when we will see a significant impact to our revenue and EBITDA from this new order. And also, are we going to see upside to our current full year CapEx guidance given we're winning a very large amount of orders.

(Spoken in Foreign Language).

---

### Sharon Liu *VNET Group, Inc – Rotating President*

(Interpreted)

Thank you, Tom, for your question. This is Sharon. With regard to the over-500-megawatt new orders, we are planning to deliver these new orders in the next two to three years, effectively from 2026 throughout 2028. And we are going to deliver the very first batch in the second half of 2026. Based on the pace of our customers move-in pace.

So that will translate into some positive impact on our EBITDA and revenue in the next three years. And also, we are not going to adjust our CapEx guidance for the full year of 2026 because the CapEx guidance we give is actually based on our annual delivery target of 450 to 500 megawatts. Therefore we're going to keep our annual CapEx guidance untouched.

---

## **Operator**

Your next question comes from Edison Lee with Jefferies.

---

### **Edison Lee *Jefferies – Analyst***

Hi, thank you for taking my questions. I've got two questions. Number one is that now that CATL has become a strategic investor in VNET, so can you maybe share with us how investors should think about the synergies going forward? And also previously I think that Shandong Hi-Speed has been building some green power plants in Ulanqab supply to your data center campus. So I wonder if that is ongoing and whether there will be any change to that. So that's number one.

Number two is, can you comment on the pricing situation now that you have won pretty big projects and in fact, what are you seeing in terms of pricing trend in the market? And where do you think pricing in 2027 will actually be stable or even going up?

(Spoken in Foreign Language).

---

### **Sharon Liu *VNET Group, Inc – Rotating President***

(Interpreted)

Thank you for your question. As we have disclosed in our quarterly report that CATL's non-controlled and non-consolidated affiliates, are going to become our strategic shareholders, shall the deal with Shandong Hi-Speed Holdings Groups closed successfully. Actually, we see synergies across several areas, and we see that in our AIDC energy storage, supply chain, technology and resources.

To elaborate, we are going to leverage CATL's extensive supply chain resources, energy storage and dispatch capabilities augmented by their priority high-voltage DC technology through their own investments.

And also the synergy we saw in commercial and operational sites. You know, VNET currently has nearly 1 gigawatt capacity in service. If we complete the rest of our wholesale delivery targets this year, this is going to bring our total wholesale capacity in service to nearly 1.5 gigawatts. So this provides CATL with concrete use cases which can feed back into their businesses. And also with our collaboration, we are going to accumulate a lot of critical operational data. This will also drive the mutual ecosystem value.

And with regards to our prior collaboration with the Shandong Hi-Speed Holdings Group in terms of the green energy integration, we have maintained a fairly good communication and collaboration with Shandong Hi-Speed Holdings Group in terms of green energy development, and we extend our gratitude to their support in this regard. And going forward, VNET will continue to pursue the development in the direction of green and low-carbon.

We will actively evaluate or explore corporation opportunities and expand our corporation on that side. And on top of that, the green energy and the digital infrastructure development takes the coordination of multiple parties. And we, VNET, will continue to remain committed to the principles of prudent and the market-oriented approach and we will assess collaboration opportunities based on its economics. At the end of the day, we want to match resources that can best serve our customers' needs. So our goal is to increase our energy efficiency and promote our competitiveness in the green energy space.

So that is the question on the new strategic investor as well as our collaboration with the Shandong Hi-Speed Holdings Group in terms of the green development.

And now coming back to the question on pricing. As we have disclosed in our earnings report that we have secured large orders that is going to be delivered within the next two to three years. And according to our observations, we have seen fairly strong demand from our customers. And we're seeing that through Q1, also straight into Q2.

So for now all of these customers are signing long-term agreements with us so as to secure these quality resources from us and we expect the price to stable at the moment. And shall the supply and demand dynamics improve in the future, we might see the possibilities of prices trending upward as well. Thanks.

---

## **Operator**

Your next question comes from Timothy Zhao with Goldman Sachs.

---

## **Timothy Zhao *Goldman Sachs – Analyst***

Great thank you management for taking the question and congrats on the solid results. My question is regarding the wholesale capacity reserves that you have. I noticed that in the first quarter, the company added another 300 megawatts capacity for the wholesale data centers. Just wondering if you have any targets for your capacity reserve for this year and probably in the mid-term? And out of that 1.6 gigawatts capacity that you have in terms of expansion pipeline and the capacity under construction, just wondering if you can share what proportion of that already received the power quota approval from the government. Thank you.

---

## **Sharon Liu *VNET Group, Inc – Rotating President***

(Interpreted)

Thank you, Timothy, for your question. The company's strategy in the medium to long term is that we are going to increase our efforts in acquiring more resources. As we have mentioned that, according to the company's plan, we are going to acquire gigawatt worth of resources, primarily in Inner Mongolia, Yangtze River Delta, as well as the key nodes along the East Data, West Computing route. And as we proceed to acquire these resources, we will progressively make corresponding disclosures in the subsequent quarterly results.

And speaking of the resources that compromise consists of both land as well as the power quotas. As you may know there is a window guidance imposed by the government. And right now we have seen that whole flow being tested already. Because at VNET, we got four of our projects approved by the government and several of our other projects also obtained power quota expansion approvals. So the company is quite confident in acquiring more resources in terms of land as well as our power quotes. And also the company is, like I said, actively exploring and acquiring potential more resources, particularly gigawatt-level projects, and will gradually disclose these developments to the capital market. Thank you.

---

## **Operator**

Your next question comes from Mingran Li with CICC.

---

## **Mingran Li CICC - Analyst**

Thanks, management for taking my question. I really appreciated and the congrats on the strong results. I have questions about our overseas business. Regarding the CATL strategic investment. Could you share any thoughts on how this partnership might shape your overseas expansion strategy?

(Spoken in Foreign Language).

---

## **Sharon Liu VNET Group, Inc – Rotating President**

(Interpreted)

Thank you, Mingran, for your question. With regard to our overseas deployment, we maintain a fairly close relationship with our leading or key customers. And they have been sending inquiries on our overseas resources. The company is actively preparing and looking for potential resources in overseas, specifically, we're talking about resources in Southeast Asia as well as other areas.

Shall there be any further updates, we will communicate them with you in a timely manner going forward. And also with regard to the new strategic investors, the non-controlled and non-consolidated affiliates of CATL, because they have a global presence, we can further collaborate on supply chain as well as green energy. I believe this will complement to our advantages. This also greatly supports our overseas strategy. Thank you.

---

## **Operator**

Your next question comes from Daley Li with BofA Securities.

---

## **Daley Li BofA Securities – Analyst**

Hi management, thanks for taking my question. I have one question regarding our financing channels. With our full year guidance for the CapEx, how do we see the operating cash flow and also the financing channel, like REIT, to finance our CapEx. And could management share our future REITs project which would be our plan?

(Spoken in Foreign Language).

---

**Peter Zhang *VNET Group, Inc – Senior Vice President of Operational Finance***

(Interpreted)

Thanks for your question. Our full year CapEx guidance for 2026 is based on the annual delivery target of 450 to 500 megawatts. We have very diversified financing channels both from the project level as well as the traditional financing channels. All of them serve the same purpose of supporting our full year delivery target. Actually, in terms of the ABS or asset-backed securities, we have successfully issued two of them in the first quarter, and we are continuing our efforts in this regard. Thank you.

---

**Operator**

Your next question comes from Ethan Zhang with Nomura.

---

**Ethan Zhang Nomura – Analyst**

Thanks for the opportunity to ask questions. So I've got two questions. The first one is a follow-up on the land reserve strategy. So could management give us more color on our current reserve in the Inner Mongolia region as well as what's our thoughts on the demand in other East Data West Computing hub cities? And my second question is could management give us some color on the potential listing in the Hong Kong market?

(Spoken in Foreign Language).

---

**Sharon Liu *VNET Group, Inc – Rotating President***

(Interpreted)

Thank you, Ethan, for your question. With regard to your question on our land reserve situation, like I said, in the medium to long term, VNET is planning to acquire gigawatt-scale campuses in Inner Mongolia, Yangtze River Delta as well as the East Data West Computing hubs. To give you a specific number, the 1 gigawatt-scale campus would roughly translate to 1,000 acres of land, given the prices with the land is quite cheap. In actual percentage wise, the CapEx for acquiring land will account for only low single-digit percentage of our total CapEx of a project. So the company would proactively acquire lands to prepare for our reserve capacity.

And to add on to the question in terms of financing channels, as a listed company, we have diversified financing channels, both from the listed company perspective as well as the asset level. The company is proactively raising funds to support our CapEx as well as our convertible bond repayment.

Now moving on to the potential listing in the Hong Kong Stock Exchange. We have been actively exploring the feasibility of potential Hong Kong listing as part of our efforts to optimize our capital structure and better support the company's long-term strategic development, while broadening our international investor base, we will communicate with the public market in a timely manner once there is more defined plan or any definitive progress. Thank you.

---

### **Operator**

Your next question comes from Sara Wang with UBS.

---

### **Sara Wang UBS - Analyst**

Hi, thank you for the opportunity to ask a question. And again, congratulations on the solid results. I have actually one question. So I noticed that the commitment and precommitment rate of our resources are already quite high. And then on top of that, we have another 1 gigawatt resources held for future development. So may I ask for this 1 gigawatt, what is the expected average lead time from order to delivery? And then at the same time how shall we think about the unit CapEx, say, CapEx per megawatt? And how shall we think of the trend going forward?

(Spoken in Foreign Language).

---

### **Sharon Liu VNET Group, Inc – Rotating President**

(Interpreted)

Thank you, Sara, for the question. A clarification on the company's strategy, we are planning to acquire gigawatt level worth of resources in the three key regions, like I mentioned, and we are going to disclose the updates going forward. And moving back to the unit CapEx where we delivered, the unit CapEx is around RMB20,000 per kilowatt. So that is achieved thanks to our supply chain capabilities as well as our large-scale batch procurement. Actually, our CapEx per kilowatt has been continuously optimized. So that is for the unit CapEx per kilowatt.

And now moving on to the precommitment rate. we are quite confident in maintaining a fairly high precommitment rate in next year. We will maintain our disclosure pattern, and we have now disclosed our delivery plan as of Q1 2027. And in terms of the over-500-megawatt order we secured, we are going to deliver them in batches. So we are going to keep updates to the market on our delivery plan. And all in all, based on our observation of the market demand, we want to say we are fairly confident in maintaining a high precommitment rate. Thank you.

---

## **Operator**

There are no further questions at this time. Ladies and gentlemen, that concludes our conference for today. Thank you for participating.

You may now disconnect your lines.

---

*\*Please kindly note part of content for Q&A session are revised by the company after the call to accurately reflect the company's information. So it may differ from the earnings call audio.*