

# Huawei Cloud expands globally, eyes growing AI market



By Lindsey Schutters

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Despite facing ongoing US sanctions, Huawei's cloud unit is pushing into new markets and carving out a space for itself in the global cloud computing landscape, with a particular focus on artificial intelligence (AI). The Chinese tech giant is also regarded as a major player as a chip manufacturer.



Bruno Zhang unveils the Global Leap Program by Cloud Native Elite Club (CNEC). Source: Supplied

At the Cloud Summit held in Barcelona this week on the sidelines of Mobile World Congress (MWC), Huawei executives announced plans to launch a new cloud service in Egypt next month, further expanding their existing network of 85 availability zones across 30 regions worldwide.

Jacqueline Shi, president of Huawei Cloud Global marketing and sales, highlighted AI as a key driver for the company's cloud strategy. "Our aim," she said, "is to build a robust cloud foundation for all industries, accelerating intelligence."

Unlike other large language models, Huawei's Pangu AI model is specifically designed for industrial applications, finding uses in sectors like coal mining and railways.



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This expansion in cloud computing aligns with Huawei's broader strategy to diversify its revenue streams, particularly in the wake of sanctions impacting its global smartphone business since 2019.

Huawei remains committed to its cloud services division, aiming to solidify its position as a significant player in the cloud and AI landscape despite facing geopolitical headwinds.

## Nvidia recognition

In November 2023 [Reuters reported that China's Baidu was diversifying away from Nvidia with an order for Huawei Ascend](#)

[AI 910B chips](#). These processors sit at the heart of Huawei's Atlas AI computing solutions which power the company's cloud offering.



Huawei's in-house chipmaker Hisilicon has prioritised AI chips over mobile processors

Nvidia is aware of the Huawei threat with the company [naming the Chinese manufacturer as a "top competitor"](#) alongside AMD, Microsoft and Broadcom.

It is a surprising turn after the [Biden administration imposed harsher chip export bans](#) at the end of 2022, with the [Dutch government joining the restriction alliance](#) along with Japan in early 2023 in a move that cut Huawei off from ASML's photolithography machines.

## ABOUT LINDSEY SCHUTTERS

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