GDS GLOBAL LIMITED

(Company Registration No.: 201217895H) (Incorporated in the Republic of Singapore on 19 July 2012)

BUSINESS UPDATE IN RELATION TO AUTOMATION OF PRODUCTION PROCESS

The board of directors of GDS Global Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that the Company's wholly owned subsidiary, Gliderol Doors (S) Pte Ltd ("Gliderol") plans to invest approximately S\$1.5 million in machinery and equipment to automate certain production processes ("Capital Investment") in the current financial year ending 30 September 2017 ("FY2017").

The Capital Investment is part of the Group's continuous effort to automate the production process at Gliderol's manufacturing facility at 86 International Road amidst the tight labor market environment in Singapore. The Capital Investment is expected to significantly increase productivity and improve process efficiency.

The Capital Investment will be funded by way of internal resources of the Group, and is not expected to have any material impact on the earnings per share and net tangible assets per share of the Group for FY2017.

By Order of the Board

Wong Lok Yung Chairman and Chief Executive Officer 2 November 2016

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules"). The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.