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GDS Holdings Limited** (the “**Company**”) is controlled through weighted voting rights. Shareholders and prospective investors should be aware of the potential risks of investing in a company with a weighted voting right, or WVR, structure. Particularly, the WVR beneficiary, whose interests may not necessarily be aligned with those of our shareholders as a whole, will be in a position to exert significant influence over the outcome of shareholders’ resolutions, irrespective of how other shareholders vote. Our American depositary shares, each representing eight of our Class A ordinary shares, are listed on the Nasdaq Global Market in the United States under the symbol GDS.



GDS Holdings Limited

萬國數據控股有限公司*

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability under the name GDS Holdings Limited and carrying on business in Hong Kong as GDS WanGuo Holdings Limited)

(Stock Code: 9698)

INSIDE INFORMATION

EQUITY RAISE BY DIGITALLAND HOLDINGS LIMITED

This announcement is issued pursuant to Rule 13.09(2)(a) of the Hong Kong Listing Rules and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

The Company today announced that its international affiliate, DigitalLand Holdings Limited (“**GDS International**” or “**GDSI**”), which acts as the holding company for GDSH’s data center assets and operations outside of mainland China, has entered into definitive agreements for certain institutional private equity investors (the “**Investors**”) to subscribe for US\$1.0 billion of Series B convertible preferred shares (the “**Series B**”) newly issued by GDSI.

GDS International was established in 2022 with its corporate headquarters in Singapore. Its portfolio currently comprises approximately 480 MW of data center capacity in service and under construction and an additional 590 MW held for future development across strategic locations in Hong Kong, Singapore, Malaysia (Johor), Indonesia (Batam), and Japan (Tokyo).

The US\$1 billion Series B investment is mostly comprised of new US investors, led by Coatue Management with substantial participation by The Baupost Group. Together with GDSI’s existing equity, the Series B raise will be sufficient to capitalize the development of up to 1 GW of total data center capacity.

GDSH has determined not to exercise its pre-emption rights for the Series B equity raise. Post closing and on an as-converted basis, GDSH will own approximately 37.6% of the equity interest of GDSI in the form of ordinary shares. The value of GDSH’s equity interest in GDSI implied by the Series B subscription price is approximately US\$1.3 billion, equivalent to approximately US\$6.75 per American Depositary Share of GDSH. Post closing, GDSH will no longer consolidate GDSI for accounting purposes and GDSH will no longer have the right to appoint a majority of directors to the Board of GDSI.

The closing is expected to occur as soon as the closing conditions provided in the definitive agreements are satisfied. It is expected that the Series B issuance will be exempted from registration under the Securities Act of 1933, as amended, (the “**Securities Act**”) pursuant to Section 4(a)(2) of the Securities Act regarding transactions not involving a public offering or Regulation S under the Securities Act.

The Series B shares and the ordinary shares deliverable upon conversion of the Series B shares have not been registered under the Securities Act or any state securities laws. They may not be offered or sold within the United States or to U.S. persons absent registration or an applicable exemption from registration. This announcement shall not constitute an offer to sell or a solicitation of an offer to purchase any of these securities, nor shall there be a sale of the securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “aim,” “anticipate,” “believe,” “continue,” “estimate,” “expect,” “future,” “guidance,” “intend,” “is/are likely to,” “may,” “ongoing,” “plan,” “potential,” “target,” “will,” and similar statements. Among other things, statements that are not historical facts, including statements about the Company’s beliefs and expectations regarding the growth of its businesses and its revenue for the full fiscal year, the business outlook and quotations from management in this announcement, as well as the Company’s strategic and operational plans, are or contain forward-looking statements. The Company may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “**SEC**”) on Forms 20-F and 6-K, in its current, interim and annual reports to shareholders, in announcements, circulars or other publications made on the website of the Hong Kong Stock Exchange, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause the Company’s actual results or financial performance to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company’s goals and strategies; the Company’s future business development, financial condition and results of operations; the expected growth of the market for high-performance data centers, data center solutions and related services in China and South East Asia; the Company’s expectations regarding demand for and market acceptance of its high-performance data centers, data center solutions and related services; the Company’s expectations regarding building, strengthening and maintaining its relationships with new and existing customers; the continued adoption of cloud computing and cloud service providers in China and South East Asia; risks and uncertainties associated with increased investments in the Company’s business and new data center initiatives; risks and uncertainties associated with strategic acquisitions and investments; the Company’s ability to maintain or grow its revenue or business; fluctuations in the Company’s operating results; changes in laws, regulations and regulatory environment that affect the Company’s business operations; competition in the Company’s industry in China and South East Asia; security breaches; power outages; and fluctuations in general economic and business conditions in China, South East Asia and globally, and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks, uncertainties or factors is included in the Company’s filings with the SEC, including its annual report on Form 20-F, and with the Hong Kong Stock Exchange. All information provided in this announcement is as of the date of this announcement and are based on assumptions that the Company believes to be reasonable as of such date, and the Company does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

Full version of the press release issued by the Company on October 29, 2024 announcing the aforementioned equity raise by GDSI is available at the Company's IR website <https://investors.gds-services.com/>.

By order of the Board
GDS Holdings Limited **
Mr. William Wei Huang
Chairman and Chief Executive Officer

Hong Kong, October 29, 2024

As at the date of this announcement, the board of directors of the Company comprises Mr. William Wei Huang as the chairman, Mr. Sio Tat Hiang as the vice-chairman, Mr. Satoshi Okada, Mr. Bruno Lopez, Mr. Gary J. Wojtaszek and Mr. Liu Chee Ming as directors, and Mr. Lim Ah Doo, Ms. Bin Yu, Mr. Zulkifli Baharudin, Mr. Chang Sun and Ms. Judy Qing Ye as independent directors.

* *For identification purposes only*

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