

**NO WITHHOLDING TAX APPLICABLE TO SALE OR TRANSFER OF DIGITAL CORE REIT UNITS
UNDER SECTION 1446(f) OF U.S. INTERNAL REVENUE CODE**

Digital Core REIT Management Pte. Ltd., as Manager of Digital Core REIT, wishes to clarify that **no withholding tax is required** on the transfer or sale of Digital Core REIT units under Section 1446(f) of the U.S. Internal Revenue Code.

Summary of withholding requirements under Section 1446(f)

Section 1446(f) of the U.S. Internal Revenue Code provides that if a non-U.S. person transfers an interest in a partnership and if any portion of the gain on such transfer is effectively connected with the conduct of a U.S. trade or business, the transferee must withhold 10% of the amount realised upon the transfer or sale.

Under the final regulations of Section 1446(f), brokers who effect a transfer of an interest in a publicly traded partnership on behalf of a non-U.S. person and pay the amount realised to a non-U.S. transferor who is their customer must generally withhold a tax equal to 10% of the amount realised on such transfers beginning 1 January 2023.

Digital Core REIT to publish notice stating it is NOT engaged in a U.S. trade or business

Digital Core REIT is a publicly traded REIT listed in Singapore and has elected to be treated as a foreign publicly traded partnership for U.S. federal income tax purposes. Digital Core REIT intends to continue to operate in such a manner so as **NOT** to be treated as engaging in a U.S. trade or business. As such, **the withholding tax under Section 1446(f) should NOT be applicable** to transfers by Unitholders. Accordingly, brokers who effect a transfer of units will also **NOT** be required to withhold a 10% tax of the amount realised pursuant to Section 1446(f) of the U.S. Internal Revenue Code. Nonetheless, in an effort to be comprehensive, Digital Core REIT also intends to issue a formal statement that it is **NOT** engaged in a U.S. trade or business, to be published on its website at <https://www.digitalcorereit.com/investor-relations/tax/> each quarter beginning 1 January 2023. In addition, Unitholders should **NOT** be required to apply for a U.S. tax identification number or file a U.S. federal income tax return due to their investment in Digital Core REIT or the new withholding tax under Section 1446(f).

BofA Securities (Merrill Lynch (Singapore) Pte. Ltd.), Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. were the joint issue managers, global coordinators, bookrunners and underwriters for the initial public offering of units in Digital Core REIT.

By Order of the Board
Digital Core REIT Management Pte. Ltd.
(Company Registration Number: 202123160H)
as Manager of Digital Core REIT

John Stewart
Chief Executive Officer
25 October 2022

Important Notice

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Digital Core REIT is not necessarily indicative of the future performance of Digital Core REIT.