DIGITAL CORE REIT
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR THE SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

TABLE OF CONTENTS

INTRODUCTION 2
SUMMARY OF DIGITAL CORE REIT RESULTS 3
1 (A)(i) CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS 4
1 (A)(ii) CONDENSED INTERIM CONSOLIDATED DISTRIBUTION STATEMENT 5
1 (A)(iii) CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME7
1 (B) CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION 8
1 (C) CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS 10
1 (D) CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS 11
1 (E) NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS 17
2 (A) DETAILS OF ANY CHANGES IN UNITS 28
2 (B) TOTAL NUMBER OF ISSUED UNITS 28
2 (C) SALES, TRANSFERS, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS 28
3 AUDIT STATEMENT 29
4 CHANGES IN ACCOUNTING POLICIES 29
5 CONSOLIDATED EARNINGS PER UNIT (“EPU”) AND DISTRIBUTION PER UNIT (“DPU”) 29
6 NET ASSET VALUE (“NAV”) AND NET TANGIBLE ASSET (“NTA”) PER UNIT 30
7 REVIEW OF PERFORMANCE 31
8 VARIANCE FROM FORECAST STATEMENT 33
9 OUTLOOK AND PROSPECTS 33
10 DISTRIBUTIONS 33
11 DISTRIBUTION STATEMENT 34
12 GENERAL MANDATE FROM UNITHOLDERS FOR INTERESTED PERSON TRANSACTIONS 35
13 MATERIAL CHANGES IN CONTRIBUTION BY OPERATING SEGMENTS 35
14 BREAKDOWN OF REVENUE 35
15 BREAKDOWN OF ANNUAL TOTAL DISTRIBUTION 35
16 DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION 35
17 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1) 35

INTRODUCTION

Overview

Digital Core REIT is a leading pure-play data centre Singapore REIT ("S-REIT") listed on the Main Board of the Singapore Exchange Securities Trading Limited and sponsored by Digital Realty, the largest global data centre owner and operator. Digital Core REIT is an S-REIT established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of stabilised income-producing real estate assets located globally which are used primarily for data centre purposes, as well as assets necessary to support the digital economy.

Digital Core REIT seeks to create long-term, sustainable value for all stakeholders through ownership and operation of a stabilised and diversified portfolio of mission-critical data centre facilities concentrated in select global markets.

On 12 January 2024, Digital Core REIT completed the sale of the two Silicon Valley Facilities (2401 Walsh Avenue and 2403 Walsh Avenue) ("Divested Properties") to Brookfield Infrastructure Partners L.P. and its institutional partners. The gross proceeds to Digital Core REIT for its 90% ownership interest of both assets was approximately US$160.2 million.

On 20 February 2024, Digital Core REIT issued 192,000,000 new units at US$0.625 per unit via a private placement which raised gross proceeds of US$120 million to acquire additional interests in the property located at Wilhelm-Fay-Straße 15 and 24 in Frankfurt, Germany (the "Frankfurt Facility") and the property located at 6-chrome, Ao-kita, Saito, Minoh-city, Osaka, Japan ("Digital Osaka 2") and to fund partial debt repayment.

On 29 March 2024, Digital Core REIT completed an additional 10% equity interest in Digital Osaka 2 from the third-party vendor, Mitsubishi Corporation, at a gross purchase consideration of JPY7,725 million (approximately US$51.5 million), bringing the total interest in the property, Digital Osaka 2 to 20%.

On 19 April 2024, Digital Core REIT further acquired an additional 24.9% equity interest in the Frankfurt Facility from Digital Realty for a gross consideration of EUR117 million (approximately US$129 million). This was an Interested Person Transaction ("IPT") which was approved by unitholders via an Extraordinary General Meeting held on 18 April 2024. The investment was funded by a combination of proceeds from the sale of the Divested Properties, Euro term loan and the equity private placement.

On 5 December 2024, Digital Core REIT acquired an additional 15.1% equity interest in the Frankfurt Facility from Digital Realty for a gross consideration of EUR71.0 million (approximately US$75.1 million). This was an Interested Person Transaction ("IPT") which was approved by unitholders via an Extraordinary General Meeting held on 4 December 2024. The acquisition was debt-funded by a Euro denominated loan. Post the acquisition, Digital Core REIT owns 65% of the Frankfurt Facility and reclassified its ownership stake from an Associate to a subsidiary. The remaining 35% non-controlling interest in the Frankfurt Facility is held by the Sponsor, Digital Realty.

As at 31 December 2024, Digital Core REIT's portfolio had a total Asset Under Management ("AUM") of approximately US$1.62 billion, comprising mission-critical freehold data centres located across the United States, Canada, Frankfurt and Osaka. The data centre facilities are:

<u>Northern Virginia</u>

1) 44520 Hastings Drive (90% interest)
2) 8217 Linton Hall Road (90% interest)
3) 43831 Devin Shafron Drive (90% interest)

<u>Northern California (Silicon Valley)</u>

4) 3011 Lafayette Street (90% interest)
5) 1500 Space Park Drive (90% interest)

<u>Los Angeles</u>

6) 200 North Nash Street (90% interest)
7) 3015 Winona Avenue (90% interest)

<u>Toronto</u>

8) 371 Gough Road (90% interest)

<u>Frankfurt</u>

9) Wilhelm-Fay-Straße 15 and 24 ("Frankfurt Facility") (65% interest which includes the 15.1% additional interest completed on 5 December 2024)

<u>Osaka</u>

10) Digital Osaka 2 (KIX11) (20% interest)

Distribution Policy

Digital Core REIT's distribution policy is to distribute at least 90% of its annual distributable income for each financial year. The actual level of distribution will be determined at the Manager's discretion.

SUMMARY OF DIGITAL CORE REIT RESULTS FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Actual 2H 2024	Actual 2H 2023	+ / (-)	Actual FY 2024	Actual FY 2023	+ / (-)
	US$'000	US$'000	%	US$'000	US$'000	%
Gross Revenue	54,012	49,204	9.8	102,274	102,591	(0.3)
Property Expenses	(22,609)	(21,306)	6.1	(40,442)	(39,541)	2.3
Net Property Income (NPI)	31,403	27,898	12.6	61,832	63,050	(1.9)
Cash NPI (1)	31,384	32,445	(3.3)	61,485	66,123	(7.0)
Cash NPI (on same store basis) *(2)*	***28,789***	***28,768***	***0.1***	***59,092***	***58,688***	***0.7***
Distributable Income to Unitholders	23,405	20,004	17.0	45,991	41,484	10.9
Distribution per Unit (DPU) (US cents) (3)	1.80	1.78	1.1	3.60	3.70	(2.7)
Annualised distribution yield (%) (4)	6.17	5.47	70 bps	6.21	5.74	47 bps

Footnotes:

(1) Cash net property income excludes non-cash straight line rent and related write-off. The decrease is largely due to the divestment of 2401 Walsh Avenue and 2403 Walsh Avenue ("Divested Properties") in January 2024, partially offset by the contribution from the Frankfurt Facility which was consolidated post-acquisition on 5 December 2024.

(2) Cash NPI on same store basis, which excludes the effects of the straight-line rents and the respective contributions from the newly acquired Frankfurt Facility and Divested Properties, was marginally up year-on-year.

(3) Actual 2H 2024 DPU of 1.80 US cents was calculated based on 1,300,293,718 issued units as at 31 December 2024, while 2H 2023 DPU of 1.78 US cents was calculated based on 1,123,853,481 issued units as at 31 December 2023.

(4) The annualised distribution yield for 2H 2024 is on a basis of 184 days and pro-rated to 366 days (2H 2023: 365 days). Distribution yields for 2H 2024 and FY 2024 are based on market closing prices of US$0.580 per Unit as at the last trading day of the period. Distribution yields for 2H 2023 and FY 2023 are based on market closing prices of US$0.645 per Unit as at the last trading day of the period.

1 (A)(i) CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS FOR THE SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

	FS Note [(a)]	2H 2024	2H 2023	+/(-)%	FY 2024	FY2023	+/(-)%
		US$'000	US$'000		US$'000	US$'000	
Rental income		36,906	32,669	13.0	70,403	69,068	1.9
Utilities reimbursements		8,508	6,573	29.4	14,641	13,491	8.5
Other recovery and operating income		8,598	9,962	(13.7)	17,230	20,032	(14.0)
Gross Revenue		**54,012**	**49,204**	**9.8**	**102,274**	**102,591**	**(0.3)**
Utilities		(9,563)	(6,764)	41.4	(15,873)	(13,881)	14.4
Property taxes and insurance expenses		(3,256)	(5,713)	(43.0)	(6,919)	(9,082)	(23.8)
Repairs and maintenance		(2,376)	(1,737)	36.8	(3,842)	(3,415)	12.5
Property management fees		(1,047)	(1,036)	1.1	(2,020)	(2,044)	(1.2)
Other property expenses		(6,367)	(6,056)	5.1	(11,788)	(11,119)	6.0
Property expenses		**(22,609)**	**(21,306)**	**6.1**	**(40,442)**	**(39,541)**	**2.3**
Net Property Income		**31,403**	**27,898**	**12.6**	**61,832**	**63,050**	**(1.9)**
Other income		–	–	NM	2,056	–	NM
Finance income [(b)]		4,975	2,994	66.2	11,107	6,106	81.9
Finance expenses	3	(13,122)	(13,883)	(5.5)	(25,122)	(26,190)	(4.1)
Manager's base fee [(c)]		(2,019)	(3,603)	(44.0)	(4,723)	(7,256)	(34.9)
Manager's performance fee [(c)]		(702)	(1,148)	(38.9)	(1,559)	(2,291)	(32.0)
Trustee's fee		(92)	(94)	(2.1)	(184)	(185)	(0.5)
Other trust expenses [(d)]		(2,041)	(714)	>100	(3,662)	(1,812)	>100
Unrealised foreign exchange [(e)]		6,601	174	>100	8,597	(2,722)	NM
Profit before tax, fair value changes, remeasurement loss and share of results		**25,003**	**11,624**	**>100**	**48,342**	**28,700**	**68.4**
Share of result of associate [(f)]		12,642	(17,959)	NM	16,601	(15,881)	NM
Remeasurement loss [(g)]		(11,144)	–	NM	(11,144)	–	NM
Fair value change in financial derivatives [(h)]		71	–	NM	71	–	NM
Net fair value change in investment properties [(i)]		251,601	(139,197)	NM	251,601	(139,197)	NM
Profit / (loss) before tax		**278,173**	**(145,532)**	**NM**	**305,471**	**(126,378)**	**NM**
Tax expense [(j)]		(34,066)	16,522	NM	(40,021)	9,648	NM
Profit / (loss) after tax		**244,107**	**(129,010)**	**NM**	**265,450**	**(116,730)**	**NM**
Attributable to:							
Unitholders		186,754	(117,658)	NM	205,381	(108,585)	NM
Non-controlling interest		57,353	(11,352)	NM	60,069	(8,145)	NM
		244,107	**(129,010)**	**NM**	**265,450**	**(116,730)**	**NM**
Earnings per Unit (US cents) ("EPU") [(k)]							
- basic		14.36	(10.47)	NM	15.79	(9.66)	NM
- diluted		14.14	(10.30)	NM	15.54	(9.50)	NM

NM – Not meaningful

1 (A)(ii) CONDENSED INTERIM CONSOLIDATED DISTRIBUTION STATEMENT FOR THE SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

	2H 2024 US$'000	2H 2023 US$'000	+/(-)%	FY 2024 US$'000	FY 2023 US$'000	+/(-)%
Profit / (loss) after tax attributable to Unitholders	**186,754**	**(117,658)**	**NM**	**205,381**	**(108,585)**	**NM**
Distribution adjustments						
Property related non-cash items [l]	(17)	4,093	NM	(312)	2,766	NM
Manager's base fee paid/payable in units	2,721	4,750	(42.7)	6,282	9,547	(34.2)
Trustee fee	92	94	(2.1)	184	185	(0.5)
Amortisation of upfront debt-related transaction costs [m]	2,598	733	>100	3,365	1,465	>100
Deferred tax expense / (credit), net of non-controlling interest	33,639	(17,163)	NM	38,450	(11,000)	NM
Remeasurement loss	11,144	–	NM	11,144	–	NM
Fair value change in derivatives	(71)	–	NM	(71)	–	NM
Fair value change in investment properties, net of non-controlling interest	(197,464)	125,357	NM	(197,464)	125,357	NM
Share of result of associate	(12,642)	17,959	NM	(16,601)	15,881	NM
Unrealised foreign exchange	(6,601)	(173)	>100	(8,596)	2,722	NM
Others [n]	3,252	2,012	61.6	4,229	3,146	34.4
Net distribution adjustments	**(163,349)**	**137,662**	**NM**	**(159,390)**	**150,069**	**NM**
Income available for distribution to Unitholders [o]	**23,405**	**20,004**	**17.0**	**45,991**	**41,484**	**10.9**
DPU (US cents) [o]	**1.80**	**1.78**	**1.1**	**3.60**	**3.70**	**(2.7)**

NM – Not meaningful

Footnotes:

(a) Please see Section 1(E) - Notes to the Condensed Interim Consolidated Financial Statements.

(b) Finance income comprises interest income from loan to associate and deposits placed with financial institutions. Subsequent to the acquisition of the Frankfurt Facility to a subsidiary, the interest income earned from the subsidiary would be eliminated at group level.

(c) The Manager has elected to receive 100% of its base and performance fees in the form of units for 2H 2024 and FY 2024.

The year-on-year decline in management fees resulted from the Manager waiving base and performance fees for the Frankfurt Facility in FY 2023 and FY 2024 while conducting a transfer pricing study on internal fee arrangements to prevent potential double-counting of the fees. The transfer pricing study is expected to be completed in 2025 and the base and performance fees for the Frankfurt Facility will resume in 2025 as per the Trust Deed.

(d) Other trust expenses comprise audit, tax, compliance, legal and professional fees and other corporate expenses. The increase in trust expenses was largely due to increased legal and other expenses for the debt recast conducted during the year as well as additional tax advisory and professional fees.

(e) Unrealised foreign exchange primarily relates to the revaluation gain of the Euro and Japanese Yen denominated loans which depreciated against USD. Due to natural hedging, the Group applied hedge accounting and the effective portion of the unrealised foreign exchange cash flow hedge was recognised directly in foreign currency translation reserve in other comprehensive income.

(f) Share of result of associate represents the progressive share of earnings contributed by the Frankfurt Facility until 4 December 2024 when it became a subsidiary, as well as the 20% share of result of Digital Osaka 2. In addition, the share of result includes the pro-rata share of fair value gain in Digital Osaka 2, amounting to approximately US$9.9 million in 2H 2024 and FY 2024.

(g) Digital Core REIT's 15.1% acquisition of the Frankfurt Facility in December 2024, which increased Digital Core REIT's ownership from 49.9% to 65%, resulted in a change of control and reclassification of the investment from associate to a subsidiary. The previous equity interest held in the associate was remeasured to fair value at the acquisition date. The foreign currency translation reserve relating to the associate was reclassified and included as part of the remeasurement loss in the profit and loss statement.

(h) The Group uses foreign exchange forward contracts to manage its income exposure to Japanese Yen and Euro currency fluctuations. The change in fair value of the forward exchange contracts was recorded in the profit and loss statement.

(i) Digital Core REIT obtains independent appraisals on an annual basis and recognises changes in fair value as gain / (losses) in the consolidated profit and loss statement. The net fair value loss in investment properties relates to the net increase / (decrease) in the appraised fair value of investment properties after taking into consideration capital expenditures.

(j) Tax expense comprises (i) current income tax for the Canadian and Japanese entities, (ii) withholding taxes incurred on the receipt of dividend income from the Osaka asset, and (iii) deferred taxes which arise from temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The deferred tax expense arose from both capital allowances claimed on the investment properties and fair value changes to the assets.

(k) Please refer to Section 5 - Consolidated Earnings per Unit and Distribution per Unit for further information.

(l) Property-related non-cash items consist primarily of straight-line rent adjustments and exclude the share attributable to non-controlling interests.

(m) Upfront debt-related transaction costs are amortised over the life of the borrowings. The increase in 2H 2024 and FY 2024 was due to accelerated amortisation expense caused by the early termination of the previous loan facilities through the debt recast during the period.

(n) Other distribution adjustments include other non-cash and non-tax-deductible items as well as adjustments relating to timing differences in income and expenses and other capital items.

(o) The income available for distribution and DPU to Unitholders is based on 100% of the taxable income available for distribution to Unitholders for FY2024. Please refer to Section 10 - Distributions for further information.

1 (A)(iii) CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

	2H 2024	2H 2023	+/(-)%	FY 2024	FY 2023	+/(-)%
	US$'000	US$'000		US$'000	US$'000	
Profit / (Loss) after tax	**244,107**	**(129,010)**	**NM**	**265,450**	**(116,730)**	**NM**
Other comprehensive income / (loss)						
Movement in fair value of cash flow hedges [(1)]	(4,479)	(6,780)	(33.9)	1,286	(3,731)	NM
Movement in fair value reserve [(2)]	(4,035)	(1,341)	>100	(1,214)	(1,341)	(9.5)
Foreign currency translation movement [(3)]	(14,936)	(939)	>100	(22,879)	6,192	NM
Total other comprehensive (loss) / income	**(23,450)**	**(9,060)**	**>100**	**(22,807)**	**1,120**	NM
Total comprehensive income / (loss)	**220,657**	**(138,070)**	**NM**	**242,643**	**(115,610)**	**NM**
Attributable to:						
Unitholders	166,026	(126,670)	NM	185,744	(107,833)	NM
Non-controlling interest	54,631	(11,400)	NM	56,899	(7,777)	NM
	220,657	**(138,070)**	**NM**	**242,643**	**(115,610)**	**NM**

NM – Not meaningful

Footnotes:

(1) These relate to the fair value movements of interest rate swaps which were designated as cash flow hedges. The Group entered into floating-to-fixed interest rate swaps to manage its interest rate risk.

(2) Digital Core REIT acquired an additional 10% interest in in Digital Osaka 2 during the year and holds a 20% interest as at 31 December 2024. As a result of the increased ownership interest from 10% to 20% during the period, Digital Core REIT is deemed to have significant influence over the asset and the investment in FVOCI was reclassified to associate. Consequently, the fair value reserve relating to the asset was transferred to retained earnings.

(3) Foreign currency translation reserve movement arose from the net translation differences related to financial statements of foreign subsidiaries and the corresponding foreign currency denominated loans due to hedge accounting.

1 (B) CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	FS Note	Group Actual 31-Dec-24 US$'000	Group Actual 31-Dec-23 US$'000	Group +/(–) %	Trust Actual 31-Dec-24 US$'000	Trust Actual 31-Dec-23 US$'000	Trust +/(–) %
Current assets							
Cash and cash equivalents		44,115	12,101	>100	13,113	3,355	>100
Trade and other receivables		18,117	8,653	>100	94,367	94,459	(0.1)
Derivative financial assets [(a)]		71	–	NM	71	–	NM
Investment properties held for sale [(b)]		–	178,000	(100)	–	–	NM
Prepaid expenses		756	297	>100	111	73	52.1
Total current assets		**63,059**	**199,051**	**(68.3)**	**107,662**	**97,887**	**10.0**
Non–current assets							
Derivative financial assets [(a)]		779	908	(14.2)	779	908	(14.2)
Investment properties	4	1,852,018	1,114,887	66.1	–	–	NM
Investment in subsidiaries		–	–	NM	1,467,515	1,391,023	5.5
Investment in FVOCI [(c)]		–	45,555	(100)	–	–	NM
Associate [(c)]	5	94,632	143,058	(33.9)	–	–	NM
Deferred tax asset		4,181	5,578	(25.0)	–	–	NM
Total non–current assets		**1,951,610**	**1,309,986**	**49.0**	**1,468,294**	**1,391,931**	**5.5**
Total Assets		**2,014,669**	**1,509,037**	**33.5**	**1,575,956**	**1,489,818**	**5.8**
Current liabilities							
Trade and other payables		33,617	16,725	>100	6,135	5,712	7.4
Current tax payable		–	1,110	(100)	–	–	NM
Rent received in advance		1,331	5,207	(74.4)	–	–	NM
Total current liabilities		**34,948**	**23,042**	**51.7**	**6,135**	**5,712**	**7.4**
Non–current liabilities							
Derivative financial liabilities [(a)]		2,841	4,255	(33.2)	2,841	4,255	(33.2)
Loans and borrowings	6	548,663	555,493	(1.2)	548,663	555,493	(1.2)
Shareholder loan [(d)]		105,174	–	NM	–	–	NM
Preferred units		99	99	–	–	–	NM
Deferred tax liabilities		43,570	6,517	>100	–	–	NM
Total non–current liabilities		**700,347**	**566,364**	**23.7**	**551,504**	**559,748**	**(1.5)**
Total liabilities		**735,295**	**589,406**	**24.8**	**557,639**	**565,460**	**(1.4)**
Net assets		**1,279,374**	**919,631**	**39.1**	**1,018,317**	**924,358**	**10.2**
Represented by:							
Units in issue		1,029,053	943,582	9.1	1,029,053	943,582	9.1
Hedging reserve [(a)]		(2,062)	(3,348)	(38.4)	(2,062)	(3,348)	(38.4)
Fair value reserve		–	(1,341)	(100)	–	–	NM
Foreign currency translation reserve		(22,551)	(2,842)	>100	–	–	NM
Retained earnings		39,609	(145,576)	NM	(8,674)	(15,876)	(45.4)
Net assets attributable to Unitholders		**1,044,049**	**790,475**	**32.1**	**1,018,317**	**924,358**	**10.2**
Non–controlling interests		235,325	129,156	82.2	–	–	NM
		1,279,374	**919,631**	**39.1**	**1,018,317**	**924,358**	**10.2**
Net asset value per Unit ("NAV") (US$) [(e)]		**0.79**	**0.69**	**14.5**	**0.77**	**0.81**	**(4.9)**

Footnotes:

(a) Derivative financial assets and liabilities relate to fair value of forward exchange contracts and floating-to-fixed interest rate swaps entered to hedge interest rate risks.

The fair value changes of the forward contracts were recognised in profit and loss while the fair value changes of the floating-to-fixed interest rate swap derivatives, being designated as cash flow hedges, were recognised directly in equity under hedging reserve.

(b) Investment properties held for sale relates to the value of the 2401 Walsh Avenue and 2403 Walsh Avenue assets which were sold on 12 January 2024.

(c) In 2023, Digital Core REIT owned a 10% interest in Digital Osaka 2 (KIX11) which was designated as an investment in fair value through other comprehensive income (FVOCI). Digital Core REIT acquired an additional 10% interest in Digital Osaka 2 during 2024 and holds a 20% interest as at 31 December 2024. As a result of the transaction which increased ownership percentage to 20%, Digital Core REIT is deemed to have significant influence over the asset and the investment in FVOCI was reclassified to associate at the time of the transaction.

(d) The shareholder loan due to Sponsor was assumed as part of the acquisition of the Frankfurt Facility.

(e) The computation of NAV is based on number of units in issue and to be issued at the end of the period. Please refer to Section 6 – Net Asset Value and Net Tangible Asset per Unit for further information.

1 (C) CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

	2H 2024	2H 2023	FY 2024	FY 2023
	US$'000	US$'000	US$'000	US$'000
Operating activities				
Profit / (Loss) before tax	278,173	(145,532)	305,471	(126,378)
Adjustments for:				
Property related non-cash items	(66)	4,556	(347)	3,026
Manager's fee paid/payable in Units	2,721	4,750	6,282	9,547
Finance income	(4,975)	(2,994)	(13,163)	(6,106)
Finance expenses	13,122	13,883	25,122	26,190
Unrealised foreign exchange	(6,601)	(174)	(8,597)	2,722
Remeasurement loss	11,144	–	11,144	–
Fair value change in derivatives	(71)	–	(71)	–
Share of result of associate	(12,642)	17,959	(16,601)	15,881
Fair value change in investment properties	(251,601)	139,197	(251,601)	139,197
	29,204	31,645	57,639	64,079
Changes in working capital				
Trade and other receivables	8,488	1,425	1,609	(42)
Prepaid expenses	1,471	1,826	82	444
Trade and other payables	(344)	1,571	3,391	(1,168)
Rent received in advance	(3,369)	316	(3,876)	(132)
Net cash generated from operations	**35,450**	**36,783**	**58,845**	**63,181**
Tax paid	(1,136)	(288)	(2,816)	(643)
Net cash generated from operations	**34,314**	**36,495**	**56,029**	**62,538**
Cash flows from investing activities				
Acquisition of a subsidiary (FS Note 8)	(55,077)	–	(55,077)	–
Proceeds from divestment of investment properties	–	–	178,000	–
Additions to investment properties	(7,066)	(5,599)	(10,766)	(6,951)
Investment in associates	–	–	(166,159)	–
Acquisition of investment in FVOCI	–	(43,964)	–	(43,964)
Interest received	2,344	1,442	8,333	2,874
Net cash used in investing activities	**(59,799)**	**(48,121)**	**(45,669)**	**(48,041)**
Cash flows from financing activities				
Proceeds from issuance of units	–	–	120,000	–
Payment of transaction costs relating to issuance of units	–	–	(2,319)	(176)
Proceeds from loans and borrowings	330,849	48,491	448,015	51,491
Payment of existing loans and borrowings	(244,439)		(438,808)	
Payment of debt related transaction costs	(3,629)	–	(3,629)	–
Capital contribution from non-controlling interest	254	–	254	–
Financing expense paid on loans and borrowings	(9,865)	(13,131)	(21,742)	(24,481)
Financing expense paid on preferred units	(7)	(7)	(15)	(15)
Dividends paid to non-controlling interests	(4,311)	(2,969)	(24,134)	(5,199)
Distribution paid to unitholders	(17,171)	(21,480)	(42,574)	(43,001)
Purchase of units	(7,201)	(1,261)	(15,557)	(3,384)
Advance from / (repayment to) from related companies	600	(3,306)	600	(3,306)
Net cash generated from / (used in) financing activities	**45,080**	**6,337**	**20,091**	**(28,071)**
Net increase) / (decrease) in cash and cash equivalents	**19,595**	**(5,289)**	**30,451**	**(13,574)**
Effects of exchange rate on cash held	1,197	392	1,563	434
Cash and cash equivalents at beginning of the period	23,323	16,998	12,101	25,241
Cash and cash equivalents at end of the period	**44,115**	**12,101**	**44,115**	**12,101**

1 (D) CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

	<——Attributable to Unitholders of the Trust——>								
	Units in issue and issuable	**Treasury units**	**Foreign currency translation reserve**	**Hedging reserve**	**Fair value reserve**	**Retained earnings**	**Unitholders' funds**	**Non–controlling interests**	**Total**
Group	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
At 1 January 2024	943,582	–	(2,842)	(3,348)	(1,341)	(145,576)	790,475	129,156	919,631
Total comprehensive income									
Profit for the period	–	–	–	–	–	18,627	18,627	2,716	21,343
Other comprehensive income									
Movement in fair value of cash flow hedges	–	–	–	5,765	–	–	5,765	–	5,765
Movement in fair value reserve	–	–	–	–	2,821	–	2,821	–	2,821
Reclassification of fair value reserve to retained earnings	–	–	–	–	(1,480)	1,480	–	–	–
Foreign currency translation movement	–	–	(16,869)	–	–	–	(16,869)	(448)	(17,317)
Effective portion of changes in fair value of net investment hedge	–	–	9,374	–	–	–	9,374	–	9,374
Total other comprehensive income for the period	–	–	(7,495)	5,765	1,341	1,480	1,091	(448)	643
Total comprehensive income for the period	–	–	(7,495)	5,765	1,341	20,107	19,718	2,268	21,986
Transactions with Unitholders, recognised directly in unitholders' funds									
Issue of new units									
- Private placement	120,000	–	–	–	–	–	120,000	–	120,000
- Acquisition fees paid in units	1,247	–	–	–	–	–	1,247	–	1,247
- Management fees paid/payable in units	2,704	–	–	–	–	–	2,704	–	2,704
Purchase of units	(8,356)	8,356	–	–	–	–	–	–	–
Cancellation of treasury units	–	(8,356)	–	–	–	–	(8,356)	–	(8,356)
Issue costs	(2,319)		–	–	–	–	(2,319)	–	(2,319)
Distribution to Unitholders	(17,648)	–	–	–	–	(7,755)	(25,403)	–	(25,403)
Dividends paid to non–controlling interest	–	–	–	–	–	–	–	(19,823)	(19,823)
Total transactions with Unitholders for the period	95,628	–	–	–	–	(7,755)	87,873	(19,823)	68,050
As at 30 June 2024	**1,039,210**	**–**	**(10,337)**	**2,417**	**–**	**(133,224)**	**898,066**	**111,601**	**1,009,667**

Group	Units in issue and issuable	Treasury units	Foreign currency translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Unitholders' funds	Non–controlling interests	Total
	<——Attributable to Unitholders of the Trust						——>		
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 30 June 2024	1,039,210	–	(10,337)	2,417	–	(133,224)	898,066	111,601	1,009,667
Total comprehensive income									
Profit for the period	–	–	–	–	–	186,754	186,754	57,353	244,107
Other comprehensive income									
Movement in fair value of cash flow hedges	–	–	–	(4,479)	–	–	(4,479)	–	(4,479)
Movement in fair value reserve	–	–	–	–	(4,035)	–	(4,035)	–	(4,035)
Reclassification of fair value reserve to retained earnings	–	–	–	–	4,035	(4,035)	–	–	–
Foreign currency translation movement	–	–	(13,009)	–	–	–	(13,009)	(2,722)	(15,731)
'Recognition of foreign currency translation to profit and loss from step acquisition of subsidiary	–	–	1,431	–	–	–	1,431	–	1,431
Effective portion of changes in fair value of net investment hedge	–	–	(636)	–	–	–	(636)	–	(636)
Total other comprehensive income for the period	–	–	(12,214)	(4,479)	–	(4,035)	(20,728)	(2,722)	(23,450)
Total comprehensive income for the period	–	–	(12,214)	(4,479)	–	182,719	166,026	54,631	220,657
Transactions with Unitholders, recognised directly in unitholders' funds									
Issue of new units									
- Acquisition fees paid in units	751	–	–	–	–	–	751	–	751
- Management fees paid/payable in units	3,578	–	–	–	–	–	3,578	–	3,578
Purchase of units	(7,201)	7,201	–	–	–	–	–	–	–
Cancellation of treasury units	–	(7,201)	–	–	–	–	(7,201)	–	(7,201)
Step acquisition of subsidiary	–	–	–	–	–	–	–	73,150	73,150
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	254	254
Distribution to Unitholders	(7,285)	–	–	–	–	(9,886)	(17,171)	–	(17,171)
Dividends paid to non–controlling interest	–	–	–	–	–	–	–	(4,311)	(4,311)
Total transactions with Unitholders for the period	(10,157)	–	–	–	–	(9,886)	(20,043)	69,093	49,050
As at 31 December 2024	**1,029,053**	**–**	**(22,551)**	**(2,062)**	**–**	**39,609**	**1,044,049**	**235,325**	**1,279,374**

Group	<———Attributable to Unitholders of the Trust———> Units in issue and issuable US$'000	Foreign Currency Translation Reserve US$'000	Hedging Reserve US$'000	Fair Value Reserve US$'000	Retained earnings US$'000	Non-controlling interests US$'000	Total US$'000
At 1 January 2023	958,771	(8,666)	383	–	(15,597)	142,132	1,077,023
<u>Total comprehensive income</u>							
Profit for the period	–	–	–	–	9,073	3,207	12,280
Other comprehensive income							
Movement in fair value of cash flow hedges	–	–	3,049	–	–	–	3,049
Foreign currency translation movement	–	6,715	–	–	–	416	7,131
Total other comprehensive income for the period	–	6,715	3,049	–	–	416	10,180
Total comprehensive income for the period	–	6,715	3,049	–	9,073	3,623	22,460
<u>Transactions with Unitholders, recognised directly in unitholders' funds</u>							
Management fees paid/payable in units	3,654	–	–	–	–	–	3,654
Unit buyback	(2,123)	–	–	–	–	–	(2,123)
Issue costs	(176)	–	–	–	–	–	(176)
Distribution to Unitholders	(7,958)	–	–	–	(13,563)	–	(21,521)
Dividends paid to non-controlling interest	–	–	–	–	–	(2,230)	(2,230)
Total transactions with Unitholders for the period	(6,603)	–	–	–	(13,563)	(2,230)	(22,396)
As at 30 June 2023	**952,168**	**(1,951)**	**3,432**	–	**(20,087)**	**143,525**	**1,077,087**
<u>Total comprehensive income</u>							
Loss for the period	–	–	–	–	(117,658)	(11,352)	(129,010)
Other comprehensive income							
Movement in fair value of cash flow hedges	–	–	(6,780)	–	–	–	(6,780)
Movement in fair value of equity investment through other comprehensive income	–	–	–	(1,341)	–	–	(1,341)
Foreign currency translation movement	–	(891)	–	–	–	(48)	(939)
Total other comprehensive income for the period	–	(891)	(6,780)	(1,341)	–	(48)	(9,060)
Total comprehensive income for the period	–	(891)	(6,780)	(1,341)	(117,658)	(11,400)	(138,070)
<u>Transactions with Unitholders, recognised directly in unitholders' funds</u>							
Acquisition fee paid/payable in Units to the Manager	431	–	–	–	–	–	431
Management fees paid/payable in units	5,893	–	–	–	–	–	5,893
Unit buyback	(1,261)	–	–	–	–	–	(1,261)
Distribution paid to Unitholders	(13,649)	–	–	–	(7,831)	–	(21,480)
Dividends paid to non-controlling interest	-	–	–	–	–	(2,969)	(2,969)
Total transactions with Unitholders for the period	(8,586)	–	–	–	(7,831)	(2,969)	(19,386)
As at 31 December 2023	**943,582**	**(2,842)**	**(3,348)**	**(1,341)**	**(145,576)**	**129,156**	**919,631**

Trust	Units in issue and issuable US$'000	Treasury units US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total US$'000
	<——Attributable to Unitholders of the Trust——>				
At 1 January 2024	943,582	–	(3,348)	(15,876)	924,358
<u>Total comprehensive income</u>					
Profit for the period	–	–	–	18,531	18,531
Other comprehensive income					
Movement in fair value of cash flow hedges	–	–	5,765	–	5,765
Total other comprehensive income for the period	–	–	5,765	–	5,765
Total comprehensive income for the period	–	–	5,765	18,531	24,296
<u>Transactions with Unitholders, recognised directly in unitholders' funds</u>					
Issue of new units					
- Private placement	120,000	–	–	–	120,000
- Acquisition fees paid in units	1,247	–	–	–	1,247
- Management fees paid/payable in units	2,704	–	–	–	2,704
Purchase of units	(8,356)	8,356	–	–	–
Cancellation of treasury units	–	(8,356)	–	–	(8,356)
Issue costs	(2,319)	–	–	–	(2,319)
Distribution to Unitholders	(17,648)	–	–	(7,755)	(25,403)
Total transactions with Unitholders for the period	95,628	–	–	(7,755)	87,873
As at 30 June 2024	**1,039,210**	**–**	**2,417**	**(5,100)**	**1,036,527**

Trust	<— Attributable to Unitholders of the Trust — Units in issue and issuable US$'000	Treasury units US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total —> US$'000
Total comprehensive income					
Profit for the period	–	–	–	6,312	6,312
Other comprehensive income					
Movement in fair value of cash flow hedges	–	–	(4,479)	–	(4,479)
Total other comprehensive income for the period	–	–	(4,479)	–	(4,479)
Total comprehensive income for the period	–	–	(4,479)	6,312	1,833
Transactions with Unitholders, recognised directly in unitholders' funds					
Issue of new units					
- Acquisition fees paid in units	751	–	–	–	751
- Management fees paid/payable in units	3,578	–	–	–	3,578
Purchase of units	(7,201)	7,201	–	–	–
Cancellation of treasury units	–	(7,201)	–	–	(7,201)
Distribution to Unitholders	(7,285)	–	–	(9,886)	(17,171)
Total transactions with Unitholders for the period	(10,157)	–	–	(9,886)	(20,043)
As at 31 December 2024	**1,029,053**	**–**	**(2,062)**	**(8,674)**	**1,018,317**

Trust	<——Attributable to Unitholders of the Trust——> Units in issue and issuable US$'000	Hedging Reserve US$'000	Retained earnings US$'000	Total US$'000
At 1 January 2023	958,771	383	5,186	964,340
Total comprehensive income				
Profit for the period	–	–	1,127	1,127
Other comprehensive income				
Movement in fair value of cash flow hedges	–	3,049	–	3,049
Total comprehensive income for the period	–	3,049	1,127	4,176
Transactions with Unitholders, recognised directly in unitholders' funds				
Management fees paid/payable in units	3,654	–	–	3,654
Unit buyback	(2,123)	–	–	(2,123)
Issue costs (2)	(176)	–	–	(176)
Distribution to Unitholders	(7,958)	–	(13,563)	(21,521)
Total transactions with Unitholders for the period	(6,603)	–	(13,563)	(20,166)
As at 30 June 2023	**952,168**	**3,432**	**(7,250)**	**948,350**
Total comprehensive income				
Profit for the period	–	–	(795)	(795)
Other comprehensive income				
Movement in fair value of cash flow hedges	–	(6,780)	–	(6,780)
Total comprehensive income for the period	–	(6,780)	(795)	(7,575)
Transactions with Unitholders, recognised directly in unitholders' funds				
Acquisition fee paid/payable in Units to the Manager	431	–	–	431
Management fees paid and payable in units	5,893	–	–	5,893
Unit buyback	(1,261)	–	–	(1,261)
Distribution paid to Unitholders	(13,649)	–	(7,831)	(21,480)
Total transactions with Unitholders for the period	(8,586)	–	(7,831)	(16,417)
As at 31 December 2023	**943,582**	**(3,348)**	**(15,876)**	**924,358**

1 (E) NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

1 GENERAL

DIGITAL CORE REIT (the "Trust") is a Singapore real estate investment trust constituted pursuant to the trust deed (the "Trust Deed") dated 10 November 2021 between Digital Core REIT Management Pte. Ltd. (the "Manager") and Perpetual (Asia) Limited (the "Trustee"). The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries in trust for the Unitholders of the Trust.

The Trust was dormant from 10 November 2021 (constitution date) to 5 December 2021. The Trust was admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 6 December 2021 ("Listing Date").

The Trustee's registered office and principal place of business are 8 Marina Boulevard, #05-02 Marina Bay Financial Centre, Singapore 018981 and 16 Collyer Quay, #07-01, Singapore 049318, respectively.

The Manager's registered office and principal place of business is 10 Collyer Quay #42-06, Ocean Financial Centre Singapore 049315.

The principal activity of the Trust is investment holding. The principal activities of the Trust's subsidiaries are to own and invest, directly or indirectly, in a portfolio of income-producing real estate located globally which are primarily used for data centre purposes, as well as assets necessary to support the digital economy. The Group seeks to create long-term, sustainable value for all stakeholders through ownership and operation of a stabilised and diversified portfolio of mission-critical data centre facilities concentrated in select global markets.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These condensed interim consolidated financial statements for the financial year ended 31 December 2024 have been prepared in accordance with the IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB"), and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the relevant provisions of the Trust Deed. These condensed interim consolidated financial statements do not include all the disclosures required for a complete set of financial statements. However, select explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last audited financial statements for the period ended 31 December 2023. Accordingly, this report should be read in conjunction with the Group's Annual Report for the financial year ended 31 December 2023 and any public announcements made by Digital Core REIT during the interim reporting period.

The full set of financial statements will be presented in the Group's Annual Report for the financial year ended 31 December 2024.

The condensed interim consolidated financial statements are presented in US Dollars (USD or US$) and all values in the tables are rounded to the nearest thousand (US$'000), except where otherwise stated.

2.2 Changes in Accounting Policies

The accounting policies adopted by the Group in the preparation of the condensed interim consolidated financial statements are consistent with those applied in the preparation of the Group's Annual report for the financial year ended 31 December 2023.

2.3 Critical Accounting Judgments and Estimates

The preparation of the financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which facts and circumstances indicate that adjustments are required.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are disclosed in Section 1(E) Notes to the Condensed Interim Consolidated Financial Statements Note 10(d) Fair Value Measurement of Investment Properties.

3 FINANCE EXPENSES

	Group					
	2H 2024	**2H 2023**	**+/(-)%**	**FY 2024**	**FY 2023**	**+/(-)%**
	US$'000	**US$'000**		**US$'000**	**US$'000**	
Interest expense on borrowings	10,274	13,143	(21.8)	21,499	24,710	(13.0)
Amortisation of upfront debt-related transaction costs	2,598	733	>100	3,365	1,465	>100
Interest expense on shareholder loan	243	–	NM	243	–	NM
Dividends on preferred units	7	7	–	15	15	–
	13,122	**13,883**	**(5.5)**	**25,122**	**26,190**	**(4.1)**

4 INVESTMENT PROPERTIES

Investment properties comprise data centre properties which are held either to earn rental income or for capital appreciation, or both.

	Group	
	31-Dec-24	**31-Dec-23**
	US$'000	**US$'000**
Consolidated Statement of Financial Position		
As at beginning of the financial period	1,114,887	1,423,796
Acquisition of properties (including acquisition costs) (FS Note 8)	497,542	–
Net straight-line rent capitalised / (written off)	347	(3,026)
Capital expenditure and leasing commissions	10,766	6,951
Currency translation difference	(23,125)	4,489
Fair value change in investment properties	251,601	(139,323)
Reclassification to investment properties held for sale	–	(178,000)
As at end of the financial period	**1,852,018**	**1,114,887**

Investment properties are stated at fair value, which has been determined by valuations performed as at 31 December 2024. The valuations were performed by CBRE Valuation and Advisory Services and Newmark Valuation and Advisory Services (for the Frankfurt Facility) (2023: CBRE Valuation and Advisory Services) for the investment properties. The independent valuers have the relevant professional qualification and recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs are disclosed in FS Note 10(d).

5 ASSOCIATE

	Group	
	31-Dec-24	**31-Dec-23**
	US$'000	**US$'000**
Investment in Digital Osaka 2	94,632	–
Investment in Digital Greenfield B.V.	–	66,415
Loan and advances to Digital Greenfield B.V.	–	76,643
	94,632	**143,058**

The carrying value of Digital Osaka 2 is estimated based on the Group's 20.0% share of the net assets of the associate and was revalued from JPY to USD.

On 5 December 2024, Digital Core REIT acquired a 65.0% effective equity interest of Digital Greenfield B.V.. Accordingly, the investment and loan to Digital Greenfield B.V. was reclassified from associate to subsidiary.

6 LOANS AND BORROWINGS

	Group and Trust	
	31-Dec-24	**31-Dec-23**
	US$'000	**US$'000**
Unsecured loans and borrowings		
Amount repayable after one year	552,349	558,915
Less: Unamortised upfront debt-related transaction costs	(3,686)	(3,422)
Total unsecured loans and borrowings	**548,663**	**555,493**

Notes:

As at 31 December 2023, the Group had gross borrowings comprising:

(i) US$160.0 million term loan to partially finance the acquisition of the initial IPO Portfolio
(ii) US$310.2 million (EUR299.7 million) loans to finance the acquisition of the 65.0% interest in the Frankfurt Facility
(iii) US$82.1 million (JPY12.9 billion) term loan to finance the acquisition of the 20.0% interest in Digital Osaka 2

As at 31 December 2024, the Group had US$214.9 million of undrawn capacity available on the revolving credit facility to meet its future obligations. Eighty-six percent (86%) of the outstanding term loan was hedged via floating-to-fixed interest rate swaps. The average interest rate in 2024 for borrowings, excluding upfront debt-related transaction costs, was 4.2%. Aggregate leverage and interest coverage ratio ("ICR"), as defined in the Property Funds Appendix, were 34.0% and 3.6 times, respectively.

Sensitivity analysis on the impact of changes in EBITDA (1) and weighted average interest rate on ICR (2):

	ICR
For the financial year ended 31 December 2024	3.6 times
10% decrease in EBITDA	3.2 times
100 basis point increase in the weighted average interest rate	2.7 times

Footnote:

(1) EBITDA means earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation)
(2) ICR means a ratio that is calculated by dividing the trailing 12 months' earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months' interest expense, borrowing-related fees and distributions on hybrid securities

7 PREFERRED UNITS

	Group	
	31-Dec-24	31-Dec-24
	US$'000	US$'000
As at beginning and end of the period	**99**	**99**

The preferred units rank senior to all units of the indirect subsidiaries. Each holder of the preferred units is entitled to receive cumulative preferential cash dividends (recorded as finance expense) at a rate of 12.0% per annum on the subscription price of US$1,000 per unit plus all accrued and unpaid dividends, payable annually in arrears.

The preferred units are not convertible or exchangeable for any other property or securities of the subsidiaries. The Board of Directors of the subsidiary may, in its sole and absolute discretion, cause the subsidiary to redeem the preferred units at US$1,000 per unit plus all accrued and unpaid dividends.

The preferred units have been classified as financial liabilities in accordance with IFRS 9.

8 ACQUISITION OF A SUBSIDIARY

On 5 December 2024, Digital Core REIT acquired an additional 15.1% equity interest in the Frankfurt Facility, increasing its ownership interest from 49.9% to 65.0%. This resulted in a change in control of the Frankfurt Facility from associate to subsidiary.

This acquisition was accounted for as an acquisition of assets.

Effects of acquisition

The identifiable assets acquired, liabilities assumed and effect of cash flows are presented as follows:

	USD'000
Investment properties	497,542
Trade and other receivables	11,074
Cash and cash equivalents	22,820
Prepaid expenses	541
Trade and other payables	(15,751)
Shareholder loans	(307,229)
Total identifiable net assets based on 100% ownership	**208,997**
Less: 35% non-controlling interest	(73,150)
Identifiable net assets acquired based on 65% ownership	**135,847**
Less: Carrying value of 49.9% associate reclassified to subsidiary	(106,405)
Consideration paid for 15.1% equity interest	**29,442**

Effect of the acquisition on cash flows	
Consideration paid for 15.1% equity interest	29,442
Consideration paid for 15.1% shareholder loan acquired	47,955
Consideration transferred for the 15.1% acquisition	**77,397**
Add: Acquisition costs incurred	751
Less: Acquisition fee paid in Units	(751)
Less: Cash at bank of subsidiary acquired	(22,320)
Net cash outflow	**55,077**

9 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities.

In the normal course of its business, the Group carried out transactions with related parties on terms agreed between the parties. During the period, in addition to those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties:

	Group	
	FY 2024	**FY 2023**
	US$'000	**US$'000**
Acquisition of interest in an associate from a related party [1]	(203,800)	–
Acquisition fee paid/payable to the Manager	(2,590)	(431)
Disposition fee paid/payable to the Manager	–	(800)
Manager's management fees paid/payable to the Manager	(6,282)	(9,547)
Property management fees paid/payable to related parties	(1,940)	(2,044)
Other property related reimbursement costs to a related party	(8,045)	(7,544)
Interest income from an associate	4,241	2,433
Interest expense paid/payable to a related party	(243)	–
Trustee fees paid/payable	(184)	(185)
Loan from a related party under the cashflow support agreement	600	1,100

Footnote:

(1) This refers to the acquisitions of 24.9% and 15.1% equity interests and pro-rata share of shareholder loan in Digital Greenfield B.V. which were approved by the respective Extraordinary General Meetings.

10 FAIR VALUE OF ASSETS AND LIABILITIES

a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in their entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value:

	31-Dec-2024 US$'000			
Group	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
Derivative financial assets	–	850	–	850
Investment properties	–	–	1,852,018	1,852,018
Total assets	**–**	**850**	**1,852,018**	**1,852,868**
Liabilities measured at fair value				
Derivative financial liabilities	–	2,841	–	2,841
Total liabilities	**–**	**2,841**	**–**	**2,841**

	31-Dec-2023 US$'000			
Group	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
Derivative financial assets	–	908	–	908
Investment properties	–	–	1,114,887	1,114,887
Investment properties held for sale	–	–	178,000	178,000
Investment in FVOCI	–	–	45,555	45,555
Total assets	**–**	**908**	**1,338,442**	**1,339,350**
Liabilities measured at fair value				
Derivative financial assets	–	4,255	–	4,255
Total liabilities	–	**4,255**	**–**	**4,255**

Trust	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	31-Dec-2024 US$'000			
Assets measured at fair value				
Derivative financial assets	–	850	–	850
Total financial assets	–	**850**	–	**850**
Liabilities measured at fair value				
Derivative financial assets	–	2,841	–	2.841
Total liabilities	–	**2,841**	–	**2,841**

Trust	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	31-Dec-2023 US$'000			
Assets measured at fair value				
Derivative financial assets	–	908	–	908
Total financial assets	–	**908**	–	**908**
Liabilities measured at fair value				
Derivative financial assets	–	4,255	–	4,255
Total liabilities	–	**4,255**	–	**4,255**

c) Level 2 fair value measurements

The fair value of interest rate swaps is based on valuations provided by the financial institutions that are the counterparties of the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

d) Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy as at 31 December 2024.

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurements
Discounted cash flow analysis	• Discount rate of 6.25% to 8.50% (2023: 6.25% to 8.50%)	The estimated fair value would increase (decrease) if discount rate was lower (higher).
	• Terminal capitalisation rate of 5.25% to 6.75% (2023: 5.25% to 7.00%)	The estimated fair value would increase (decrease) if terminal capitalisation rate was lower (higher).

The Group carries its investment properties at fair value with changes in fair value being recognised in profit and loss account, determined annually by independent professional valuers based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The fair values were estimated using the income approach. The Group adopted the discounted cash flows method. Discounted cash flows method calculates the present values of future cash flows over a specified time period, including the potential proceeds of a deemed disposal, to determine the fair value. Discounted cash flows method converts the earnings of a property into an estimate of value.

The above fair value has been classified as a Level 3 fair value based on the inputs to the valuation techniques used in the estimation of the valuations of the investment properties as compared to a standard market condition.

e) Other financial assets and liabilities

The carrying amounts of other financial assets and liabilities approximate their fair values. The carrying amounts of loans and borrowings approximate their fair value as these loans and borrowings bear interest at floating rates and reprice at an interval of one to twelve months. Other financial assets and liabilities include cash and cash equivalents, trade and other receivables, trade and other payables and preferred units approximate their fair values because they are either short term in nature or the effect of discounting has been adjusted into the carrying value.

11 SEGMENT ANALYSIS

For segment reporting purposes, the primary segment is by geography, and it comprises North America (U.S. and Canada), EMEA (Europe, the Middle East and Africa) and APAC (Asia Pacific). Segment information is presented in respect of the Group's geographical segments. The operations of each of the Group's geographical segments are separately managed because of different economic and regulatory environments in which they operate.

	North America	EMEA	APAC	Total
	US$'000	US$'000	US$'000	US$'000
2H 2024				
Gross revenue	49,421	4,591	–	54,012
Property operating expenses	(20,679)	(1,930)	–	(22,609)
Total segment net property income	**28,742**	**2,661**	**–**	**31,403**
Manager's base fee	(2,250)	–	–	(2,250)
Fair value changes in investment properties	135,695	115,906	–	251,601
Share of result of an associate	–	(231)	12,873	12,642
Reportable segment loss before tax	**162,187**	**118,336**	**12,873**	**293,396**
Unallocated items:				
Finance income				4,975
Finance costs				(13,122)
Manager's base fee				231
Manager's performance fee				(702)
Trustee's fees				(92)
Other trust expenses				(2,041)
Unrealised foreign exchange				6,601
Remeasurement loss				(11,144)
Fair value change in derivatives				71
Profit before tax				**278,173**

	North America	EMEA	APAC	Total
	US$'000	US$'000	US$'000	US$'000
2H 2023				
Gross revenue	49,203	–	–	49,203
Property operating expenses	(21,305)	–	–	(21,305)
Total segment net property income	**27,898**	**–**	**–**	**27,898**
Manager's base fee	(2,250)	–	–	(2,250)
Fair value changes in investment properties	(139,197)	–	–	(139,197)
Share of result of an associate	–	(17,959)	–	(17,959)
Reportable segment profit before tax	**(113,549)**	**(17,959)**	**–**	**(131,508)**
Unallocated items:				
Finance income				2,994
Finance costs				(13,883)
Manager's base fee				(1,352)
Manager's performance fee				(1,148)
Trustee's fees				(94)
Other trust expenses				(715)
Unrealised foreign exchange				174
Loss before tax				**(145,532)**

	North America US$'000	EMEA US$'000	APAC US$'000	Total US$'000
FY 2024				
Gross revenue	97,683	4,591	–	102,274
Property operating expenses	(38,512)	(1,930)	–	(40,442)
Total segment net property income	**59,171**	**2,661**	–	**61,832**
Manager's base fee	(4,500)	–	–	(4,500)
Fair value changes in investment properties	135,695	115,906	–	251,601
Share of result of an associate	–	3,046	13,555	16,601
Reportable segment profit before tax	**190,366**	**121,613**	**13,555**	**325,534**
Unallocated items:				
Other income				2,056
Finance income				11,107
Finance costs				(25,122)
Manager's base fee				(223)
Manager's performance fee				(1,559)
Trustee's fees				(184)
Other trust expenses				(3,662)
Unrealised foreign exchange				8,597
Remeasurement loss				(11,144)
Fair value change in derivatives				71
Profit before tax				**305,471**

	North America US$'000	EMEA US$'000	APAC US$'000	Total US$'000
As at 31 December 2024				
Segment assets	**1,224,745**	**627,273**	**94,632**	**1,946,650**
Other unallocated amounts				68,019
Consolidated assets				**2,014,669**
Segment liabilities	**13,222**	**313,968**	**–**	**327,190**
Other unallocated amounts				408,105
Consolidated liabilities				**735,295**
Other segment items:				
Capital expenditure	8,297	2,309	99	8,672

	North America US$'000	EMEA US$'000	APAC US$'000	Total US$'000
FY 2023				
Gross revenue	102,591	–	–	102,591
Property operating expenses	(39,541)	–	–	(39,541)
Total segment net property income	**63,050**	–	–	**63,050**
Manager's base fee	(4,500)	–	–	(4,500)
Fair value changes in investment properties	(139,197)	–	–	(139,197)
Share of result of an associate	–	(15,881)	–	(15,881)
Reportable segment loss before tax	**(80,647)**	**(15,881)**	**–**	**(96,528)**
Unallocated items:				
Finance income				6,106
Finance costs				(26,190)
Manager's base fee				(2,756)
Manager's performance fee				(2,291)
Trustee's fees				(185)
Other trust expenses				(1,812)
Unrealised foreign exchange				(2,722)
Loss before tax				**(126,378)**

	North America US$'000	EMEA US$'000	APAC US$'000	Total US$'000
As at 31 December 2023				
Segment assets	**1,309,064**	**143,058**	**45,555**	**1,497,677**
Other unallocated amounts				11,360
Consolidated assets				**1,509,037**
Segment liabilities	**17,501**	–	–	**17,501**
Other unallocated amounts				571,905
Consolidated liabilities				**589,406**
Other segment items:				
Capital expenditure	6,951	1,580	–	8,531

12 SUBSEQUENT EVENT

On 12 February 2025, the Manager announced a distribution of 1.80 US cents per Unit for the period from 1 July 2024 to 31 December 2024.

2 (A) DETAILS OF ANY CHANGES IN UNITS

	Group and Trust	
Units in issue	2024	2023
Group and Trust	**Units**	**Units**
At 1 January	1,123,853,481	1,120,892,272
New Units issued:		
- Issue of Acquisition fee units	2,930,042	2,443,769
- Placement of units	192,000,000	–
Unit buyback:		
- Units repurchased as treasury units	(14,644,900)	(4,596,500)
Total issued Units as at 30 June	1,304,138,623	1,118,739,541
New Units issued:		
- Issue of Acquisition fee units	1,230,208	–
- Issue of Management base fees in units	7,250,987	7,358,140
Unit buyback:		
- Units repurchased held as treasury Units	(12,326,100)	(2,244,200)
Total issued Units as at 31 December	1,300,293,718	1,123,853,481
New Units to be issued:		
- Acquisition fee in units to be issued	–	856,083
- Management base and performance fees in units to be issued (1)	21,294,540	17,916,692
Total issued Units as at 31 December	1,321,588,258	1,142,626,256

Notes:

(1) The 21,294,540 units issuable as at 31 December 2024 comprises:

(i) 5,466,197 units and 3,110,542 units to be issued as payment of base management fees for 1 July 2023 to 31 December 2023 and performance management fee for FY 2023 respectively, based on the volume weighted average price for the last 10 business days prior to each quarter end date.

(ii) 9,499,144 units and 3,218,657 units to be issued as payment of base management fees for 1 January 2024 to 31 December 2024 and performance management fee for FY 2024 respectively, based on the volume weighted average price for the last 10 business days prior to each quarter end date.

2 (B) TOTAL NUMBER OF ISSUED UNITS

	As at 31 December 2024	As at 31 December 2023
Total number of issued Units (excluding treasury units)	1,300,293,718	1,123,853,481
Treasury units	26,971,000	6,840,700

2 (C) SALES, TRANSFERS, DISPOSALS, CANCELLATION OR USE OF TREASURY UNITS

Digital Core REIT repurchased a total of 26,971,000 treasury units in FY2024 which have been cancelled as at the date of announcement.

3 AUDIT STATEMENT

(a) Whether the figures have been audited or reviewed, and if so, which accounting standard or practice has been followed.

The figures have neither been audited nor reviewed by the auditors.

(b) Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

4 CHANGES IN ACCOUNTING POLICIES

(c) Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.

Refer to Section 1E Notes to the Condensed Interim Consolidated Financial Statements Note 2.2

(d) If there are any changes in the accounting policies and method of computation, including any required by any accounting standard, what has changed, as well as the reasons for, and the effect of the change.

Refer to Section 1E Notes to the Condensed Interim Consolidated Financial Statements Note 2.2

5 CONSOLIDATED EARNINGS PER UNIT ("EPU") AND DISTRIBUTION PER UNIT ("DPU")

	2H 2024	**2H 2023**	**FY 2024**	**FY 2023**
EPU				
Profit / (Loss) after tax attributable to Unitholders (US$'000)	186,754	(117,658)	205,381	(108,585)
Basic EPU				
Weighted average number of Units as at end of period (1)	1,300,391,956	1,123,955,507	1,300,343,106	1,123,904,913
Basic EPU (US cents)	14.36	(10.47)	15.79	(9.66)
Diluted EPU				
Weighted average number of Units as at end of period (2)	1,321,588,258	1,142,626,256	1,321,588,258	1,142,626,256
Diluted EPU (US cents)	14.14	(10.30)	15.54	(9.50)
DPU				
Income available for distribution to Unitholders (US$'000)	23,405	20,004	45,991	41,484
Number of Units in issue at end of period (3)	1,300,293,718	1,123,853,481	1,300,293,718	1,123,853,481
DPU (US cents) (3)	**1.80**	**1.78**	**3.60**	**3.70**

Notes:

(1) Based on the weighted average number of units issued and issuable as at the end of the financial period.

(2) Based on the weighted average number of units issued and issuable as at the end of the financial period, adjusted on the basis that the management fees units were issued at the beginning of the period.

(3) The DPU was computed and rounded based on the number of Units in issue entitled to distribution at the end of the period.

6 NET ASSET VALUE ("NAV") AND NET TANGIBLE ASSET ("NTA") PER UNIT

	As at 31 December 2024		As at 31 December 2023	
	Group	**Trust**	**Group**	**Trust**
Net assets (1) (US$'000)	1,044,049	1,018,317	790,475	924,358
Number of Units in issue and to be issued (2)	1,321,588,258	1,321,588,258	1,142,626,256	1,142,626,256
NAV and NTA per Unit (3) (US$)	0.79	0.77	0.69	0.81
Adjusted NAV and NTA per Unit (3) (excluding the amount Distributable) (US$)	0.77	0.75	0.67	0.79

Notes:

(1) This excludes the non-controlling interests' share of net assets.

(2) Number of units in issue at the end of the period and the Units to be issued as payment for the Manager's base, performance and acquisition fees (if any).

(3) NAV and NTA are the same as there were no intangible assets as at the end of the period.

7 REVIEW OF PERFORMANCE

	Group					
	Actual 2H 2024	Actual 2H 2023	+ / (–)	Actual FY 2024	Actual FY 2023	+ / (–)
	US$'000	US$'000	%	US$'000	US$'000	%
Gross Revenue	54,012	49,204	9.8	102,274	102,591	(0.3)
Net Property Income ("NPI")	31,403	27,898	12.6	61,832	63,050	(1.9)
Cash NPI	31,384	32,445	(3.3)	61,485	66,123	(7.0)

	Same Store Basis (1)					
	Actual 2H 2024	Actual 2H 2023	+ / (–)	Actual FY 2024	Actual FY 2023	+ / (–)
	US$'000	US$'000	%	US$'000	US$'000	%
Gross Revenue	49,481	44,713	10.7	102,226	93,173	9.7
Net Property Income ("NPI")	28,807	25,726	12.0	59,439	56,708	4.8
Cash NPI	28,789	28,768	0.1	59,092	58,688	0.7

(1) Cash NPI on same store basis excludes the effects of the straight-line rents and the respective contributions from the newly acquired Frankfurt Facility and Divested Properties.

Review of performance for 2H 2024 vs 2H 2023

Gross revenue for 2H 2024 was higher than 2H 2023 by 9.8% largely due to straight-line rent written off in 2H 2023 attributable to a customer bankruptcy. The decrease in rental income from the divestment of 2401 Walsh Avenue and 2403 Walsh Avenue ("Divested Properties") was largely offset by increased colocation income from the two Los Angeles assets (3015 Winona and 200 North Nash)("LA Assets") as well as additional contribution from the newly acquired Frankfurt Facility in December 2024. Excluding the effects of the straight-line rent, cash NPI was down 3.3% due to the Divested Properties, partially offset by higher cash NPI from North America portfolio and contribution from the newly acquired Frankfurt Facility.

Cash NPI on a "same store basis" was flat year-on-year. The higher cash NPI from rental escalations and free rent burn off for the North America properties (excluding 371 Gough Road and the LA Assets) was offset by lower cash NPI at 371 Gough Road due to higher short-term rents in 2H 2023 despite the asset being leased up to 100% in 4Q 2024. Also, during the period, there was a decreased cash NPI contribution from 3015 Winona and 200 North Nash as the Group took over the operations of the colocation end-customers in 4Q 2024 which resulted in one-time integration costs.

Finance income comprises interest income from a loan to associate and deposits placed with financial institutions. The increase year-on-year was largely due to higher fixed deposits placed with banks and the increased 49.9% ownership percentage of the loan to associate until 5 December 2024 when the loan to associate became an intercompany loan and the Frankfurt associate became a subsidiary.

Finance expenses of US$13.1 million for 2H 2024 were lower than 2H 2023 due to the decreased cost of debt as a result of the reduced USD loan balances post the sale of the Divested Properties and partially offset by incremental EUR borrowings to partially finance the Frankfurt facility acquisition and the additional JPY borrowings to finance the Digital Osaka 2 (KIX11) acquisition.

Other trust expenses comprise audit, tax, compliance, legal and professional fees and other corporate expenses. The variance is largely due to additional tax advisory and professional fees related to the integration of the LA Assets, as well as legal and other expenses for the Group's debt recast in 2H 2024.

Unrealised foreign exchange mainly relates to the USD revaluation of the EUR and JPY loans issued to fund investments into the Frankfurt Facility and Digital Osaka 2 (KIX11) asset. The Group has applied hedge accounting to account the effects of natural hedging to match the foreign exchange of the hedging instrument (loan) to the foreign exchange of the hedge item (net investment and investment in FVOCI).

The increase in share of result of associate is largely due to the 20% pro-rata share of profit and fair value gain recognised for Digital Osaka 2 associate as compared to a fair value loss recognised for the Frankfurt Facility which was classified as an associate in 2023.

Digital Core REIT's 15.1% acquisition of the Frankfurt Facility in December 2024, which increased Digital Core REIT's ownership from 49.9% to 65.0%, resulted in a change of control and reclassification of the investment from associate to a subsidiary. This recorded a remeasurement loss of US$11.1 million based on the acquired price which was at a discount to the appraised and carrying value.

Net fair value gain in investment properties amounted to US$251.6 million. This was a result of the North American portfolio recorded an approximate 11% portfolio gain of US$135.7 million due to a combination of new and extension leases executed and positive market fundamentals. Furthermore, the Frankfurt Facility recorded a US$115.9 million gain as the acquisition price of EUR470.0 million was an approximate 20% discount to the appraised valuation of EUR581.0 million.

The variance in tax expense was largely due to the net deferred tax expense recognised for the fair value gain of the investment properties.

After adjusting for distribution adjustments, 2H 2024 income available for distribution of US$23.4 million and DPU of 1.80 US cents were 17.0% and 1.1% higher than 2H 2023 respectively.

Review of performance for FY 2024 vs FY 2023

Gross revenue for FY 2024 was marginally lower than FY 2023 primarily due to the decrease in rental income from the divestment of the 2401 Walsh Avenue and 2403 Walsh Avenue assets ("Divested Properties"). This variance was partially offset by the increased colocation income from the two Los Angeles assets (3015 Winona and 200 North Nash) ("LA Assets") and the additional contribution from the newly acquired Frankfurt Facility in December 2024. Cash NPI was down 7.0% due to the Divested Properties, partially offset by higher cash NPI from North America portfolio and contribution from the newly acquired Frankfurt Facility.

Cash NPI on a "same store basis" was marginally higher year-on-year. The higher cash NPI from rental escalations and free rent burn off for the North America properties (excluding 371 Gough Road and the LA Assets) was offset by lower year-on-year cash NPI at 371 Gough Road due to higher short-term rents in 2023 despite the asset being leased up to 100% in 4Q 2024. Also, during the year, there was a decreased cash NPI contribution from 3015 Winona and 200 North Nash as the Group took over the operations of the colocation end-customers in 4Q 2024 which resulted in one-off integration costs.

Other income of US$2.1 million comprises dividend income received from the 10% interest in Digital Osaka 2 for the period from 1 January 2023 to 31 December 2023, received in March 2024. The 10% investment of Digital Osaka 2 was completed in November 2023 and hence there was no corresponding dividend income in 2023. The Group has since acquired an additional 10% interest in Digital Osaka 2 to a total interest of 20%, and subsequent dividends would be recognized as part of the share of profit under equity accounting.

Finance income comprises interest income from a loan to associate and deposits placed with financial institutions. The increase year-on-year was largely due to higher fixed deposits placed with banks and the increased 49.9% ownership percentage of the loan to associate between 19 April 2024 and 5 December 2024 when the loan to associate became an intercompany loan and the Frankfurt associate became a subsidiary.

Finance expenses of US$25.1 million for FY 2024 was lower than FY 2023 as the cost of debt had decreased from 4.5% in FY 2023 to 4.2% in FY 2024 due to the reduced USD loan balances post the sale of the Divested Properties, partially offset by incremental EUR borrowings to partially finance the Frankfurt facility acquisition and the additional JPY borrowings to finance the Digital Osaka 2 (KIX11) acquisition.

Other trust expenses comprise audit, tax, compliance, legal and professional fees and other corporate expenses. The variance is largely due to additional tax advisory and professional fees related to the integration of the LA Assets, as well as legal and other expenses for the Group's debt recast in 2H 2024.

Unrealised foreign exchange mainly relates to the USD revaluation of the EUR and JPY loans issued to fund investments into the Frankfurt Facility and Digital Osaka 2 (KIX11) asset. The Group has applied hedge accounting to account the effects of natural hedging to match the foreign exchange of the hedging instrument (loan) to the foreign exchange of the hedge item (net investment and investment in FVOCI).

The increase in share of result of associate is largely due to the 20% pro-rata share of profit and fair value gain recognised for Digital Osaka 2 associate as compared to a fair value loss recognised for the Frankfurt Facility which was classified as an associate in 2023.

Digital Core REIT's 15.1% acquisition of the Frankfurt Facility in December 2024, which increased Digital Core REIT's ownership from 49.9% to 65.0%, resulted in a change of control and reclassification of the investment from associate to a subsidiary. This resulted in a remeasurement loss of US$11.1 million based on the acquired price which was at a discount to the appraised and carrying value.

Net fair value gain in investment properties amounted to US$251.6 million, as the North American portfolio recorded an approximate 11% portfolio gain of US$135.7 million due to a combination of new and extension leases executed and positive market fundamentals while the Frankfurt Facility recorded a US$115.9 million gain as the acquisition price of EUR470.0 million was approximately 20% discount to the appraised valuation of EUR581 million.

The variance in tax expense was largely due to the net deferred tax expense recognised for the fair value gain of the investment properties.

FY 2024 income available for distribution of US$46.0 million was 10.9% higher year-on-year, after adjusting for additional units including an equity placement in FY 2024, FY 2024 DPU of 3.60 US cents was 2.7% lower year-on-year.

8 VARIANCE FROM FORECAST STATEMENT

Not applicable.

9 OUTLOOK AND PROSPECTS

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The global economic outlook for 2025 indicates a stabilizing growth trajectory, with the World Bank projecting global GDP growth at 2.7% (Global Economic Prospects, January 2025). This pace of growth remains below the pre-pandemic average of 3.1% and risks persist due to geopolitical tensions, uncertainties in U.S. policies, and ongoing inflationary pressures.

The global data center industry continues to expand rapidly, propelled by a combination of drivers including increased adoption of cloud computing, the Internet of Things (IoT), and the rise of Artificial Intelligence ("AI") applications. According to a report by Reuters, JP Morgan estimated investments in data centers could contribute 10 to 20 basis points to U.S. GDP throughout 2025 and 2026, underscoring their growing economic importance. JLL forecasts global data center capacity to increase by 15% annually, although this growth may still fall short of escalating demand. In 2024, the global colocation market size reached $92.4 billion, marking a 16.4% year-over-year increase, with a projected compound annual growth rate (CAGR) of 15.1% through 2029. Furthermore, global data center colocation demand was 5,045 MW of critical IT load capacity in 2024 and is forecasted to grow to 28,101 MW by 2029 with AI-driven colocation demand growing at an unprecedented 75.4% CAGR, far exceeding the 4.8% CAGR of Global Colocation (ex-AI). (Structure Research 2024 Report).

Amid these favorable trends, the Manager plans to maximize organic growth primarily through leasing activity and to maintain financial flexibility and leverage debt capacity to pursue accretive investments. This approach focuses on expanding the asset base, enhancing diversification, and capitalizing on strong tailwinds, particularly from AI and digital transformation, ensuring the Group remains well-positioned for sustained growth.

10 DISTRIBUTIONS

(a) Current Financial Period reported on

Any distribution recommended for the current financial period reported on?

Yes.

Name of Distribution	7th Distribution for the period from 1 July 2024 to 31 December 2024
Distribution Type	a) Tax-exempt income distribution b) Capital distribution
Distribution Rate	a) Tax-exempt income distribution – 0.18 US cents per unit b) Capital distribution – 1.62 US cents per unit
Tax Rate	Tax-exempt income distribution Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income and one-tier dividend income received by Digital Core REIT. Capital distribution Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of Digital Core REIT units, the amount of capital distribution will be applied to reduce the cost base of their Digital Core REIT units for Singapore income tax purposes.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year?

Name of Distribution	4th Distribution for the period from 1 July 2023 to 31 December 2023
Distribution Type	c) Tax-exempt income distribution d) Capital distribution
Distribution Rate	c) Tax-exempt income distribution – 0.69 US cents per unit d) Capital distribution – 1.09 US cents per unit
Tax Rate	Tax-exempt income distribution Tax-exempt income distribution is exempt from tax in the hands of all Unitholders. Tax-exempt income relates to net taxed income and one-tier dividend income received by Digital Core REIT. Capital distribution Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of Digital Core REIT units, the amount of capital distribution will be applied to reduce the cost base of their Digital Core REIT units for Singapore income tax purposes.

(c) Record date

20 February 2025

(d) Date payable

28 March 2025

11 DISTRIBUTION STATEMENT

Other than as disclosed in Note 10(a), no distribution has been declared/ recommended.

12 GENERAL MANDATE FROM UNITHOLDERS FOR INTERESTED PERSON TRANSACTIONS

Digital Core REIT has not obtained a general mandate from Unitholders for any Interested Person Transactions.

13 MATERIAL CHANGES IN CONTRIBUTION BY OPERATING SEGMENTS

In the review of the performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments.

Please refer to Section 8 above for the review of variance of actual against forecast statement.

14 BREAKDOWN OF REVENUE

	FY 2024 US$'000	FY 2023 US$'000	+/(-) %
First half year			
Gross revenue reported	48,262	53,387	(9.6)
Profit after tax reported	21,343	12,280	73.8
Second half year			
Gross revenue reported	54,012	49,204	9.8
Profit after tax reported	244,107	(129,010)	NM

15 BREAKDOWN OF ANNUAL TOTAL DISTRIBUTION

	FY 2023 US$'000	FY 2023 US$'000
1 January 2023 to 30 June 2023	–	21,480
1 July 2023 to 31 December 2023	–	20,004
1 January 2024 to 19 February 2024	5,399	–
20 February 2024 to 30 June 2024	17,187	–
1 July 2024 to 31 December 2024 (to be paid)	23,405	–
	45,991	**41,484**

16 DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager who is a relative of a director, chief executive officer or substantial unitholder of the Manager or Digital Core REIT.

17 CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS UNDER RULE 720(1)

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

The past performance of Digital Core REIT is not necessarily indicative of its future performance. Certain statements made in this announcement may not be based on historical information or facts and may be "forward-looking" statements that involve a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Digital Core REIT (**"Unitholders"**) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Digital Core REIT Management Pte. Ltd., as Manager of Digital Core REIT (the **"Manager"**) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. None of the Manager, the trustee of Digital Core REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this announcement or its contents or otherwise arising in connection with this announcement. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Digital Core REIT (**"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 (**"SGX-ST"**). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United State securities laws or the laws of any other jurisdiction.

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
12 February 2025