



(A real estate investment trust constituted on 7 September 2018 under the laws of the Republic of Singapore)
(Managed by KBS US Prime Property Management Pte. Ltd.)

QUALIFIED NOTICE ON NON-APPLICABILITY OF US WITHHOLDING TAX UNDER SECTION 1446(f) OF UNITED STATES INTERNAL REVENUE CODE TO NON-US UNITHOLDERS OF PRIME US REIT

- Prime US REIT satisfied the requirements of the withholding tax exception because it was not engaged in a trade or business within the United States at any time
- Prime US REIT formally certifies, through its Qualified Notice, that the withholding tax exception under Treas. Reg. 1.1446(f)-4(b)(3)(ii)(A) applies to Prime US REIT

KBS US Prime Property Management Pte. Ltd., as manager of Prime US REIT ("**PRIME**", and the manager of Prime, the "**Manager**"), wishes to refer to its announcement dated 25 October 2022 ("**25 October Announcement**") clarifying that the US withholding tax under the final regulations (the "**Final Regulations**") of Section 1446(f) of the US Internal Revenue Code of 1986, as amended ("**Section 1446(f) Withholding Tax**") is not applicable to transfers by non-US unitholders ("**Unitholders**") because PRIME is a publicly traded partnership that has, and intends to continue to operate in a manner that will NOT cause it to be treated as engaged in a US trade or business.

As set out in the 25 October Announcement, in an effort to be comprehensive and upon the advice of our tax advisor, **Ernst & Young LLP**, the Manager intends to provide a qualified notice ("**Qualified Notice**") on its website to formally state that PRIME is not engaged in a trade or business within the United States. In this regard, the Manager wishes to inform Unitholders that the draft Qualified Notice, which has been made available together with this announcement, has also been posted on its website at (<https://investor.primeusreit.com/s1446f.html>). A final version will be posted on 1 January 2023, the date on which the Final Regulations and Section 1446(f) Withholding Tax become effective. The Qualified Notice will be valid for a 92 day period from its posting date. The Manager intends to issue a new Qualified Notice on a quarterly basis. The Qualified Notice certifies that PRIME was not engaged in a trade or business within the United States at any time during its taxable year through the "PTP designated date" within the meaning of the Final Regulations.

Accordingly, and to reiterate, the Section 1446(f) Withholding Tax is NOT applicable to transfers by Unitholders. Additionally, brokers that effect a transfer of units in PRIME are also NOT required to withhold the Section 1446(f) Withholding Tax. Unitholders will not be required to file a US federal income tax return or apply for a US tax identification number solely as a result of the Section 1446(f) Withholding Tax.

BY ORDER OF THE BOARD

Barbara Cambon
Chief Executive Officer

KBS US Prime Property Management Pte. Ltd.
(Company Registration No. 201825461R)
As Manager of Prime US REIT
5 December 2022

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Prime US REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of units in Prime US REIT (the “**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, DBS Trustee Limited (as trustee of Prime US REIT) or any of their affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (“**Unitholder**”) have no right to request the Manager to redeem or purchase 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.

The past performance of Prime US REIT is not necessarily indicative of its future performance.