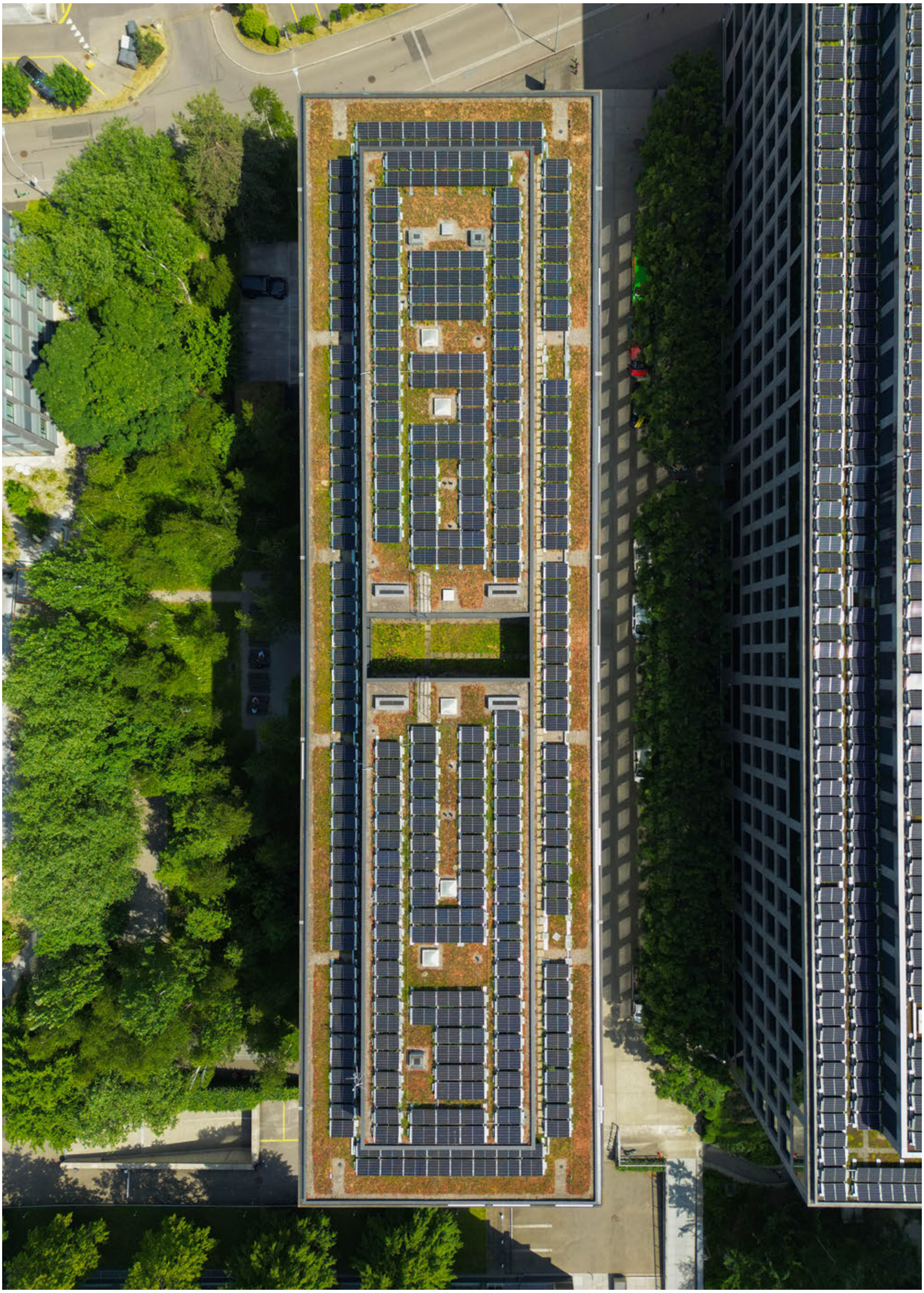
Financial report



Consolidated financial statements of Allreal Group

Consolidated income statement

CHF million	Note	2025	2024
Rental income from investment properties	3.1	204.0	221.3
Income from Realisation	3.4	160.2	170.4
Income from sales Development	3.4	68.9	24.3
Other income	3.4	3.6	4.0
Operating income		**436.7**	**420.0**
Direct expenses for rented investment properties	3.2	−23.8	−27.2
Direct expenses from Realisation	3.4	−142.9	−152.8
Direct expenses from sales Development	3.4	−47.8	−13.1
Direct operating expenses		**−214.5**	**−193.1**
Personnel expenses	3.5	−40.6	−41.1
Other operating expenses	3.6	−9.6	−11.1
Operating expenses		**−50.2**	**−52.2**
Capitalised own developments	3.4	**10.9**	**10.0**
Earnings from sale of investment properties	3.3	**2.6**	**7.6**
Higher valuation of investment properties	4.1	144.0	246.3
Lower valuation of investment properties	4.1	−27.2	−125.9
Higher valuation of investment properties under construction	4.1	8.2	2.7
Lower valuation of investment properties under construction	4.1	0.0	−1.8
Earnings from revaluation of investment properties		**125.0**	**121.3**
EBITDA		**310.5**	**313.6**
Depreciation other property, plant and equipment	4.4	−1.6	−2.3
Depreciation intangible assets	4.6	−0.1	−0.1
Operating profit (EBIT)		**308.8**	**311.2**
Financial income	3.7	1.6	1.6
Financial expenses	3.8	−32.8	−36.6
Earnings before tax		**277.6**	**276.2**
Tax expenses	5.1	−58.3	−64.8
Net profit		**219.3**	**211.4**
Earnings per share in CHF	3.9	13.28	12.80
Diluted earnings per share in CHF	3.9	13.28	12.80

Consolidated balance sheet

CHF million	Note	**31.12.2025**	31.12.2024
Investment properties	4.1	5 132.7	5 110.2
Investment properties under construction	4.1	32.4	75.2
Other property, plant and equipment	4.4	8.5	17.3
Financial assets	4.5	93.3	90.2
Intangible assets	4.6	0.3	0.2
Deferred tax assets	5.1.2	0.5	0.8
Non-current assets		**5 267.7**	**5 293.9**
Development properties	4.2	577.6	501.5
Investment properties held for sale	4.3	101.9	10.5
Trade receivables	4.7	29.7	56.6
Tax receivables		0.0	0.7
Other receivables	4.8	16.5	12.8
Cash	4.9	5.4	4.3
Current assets		**731.1**	**586.4**
Assets		**5 998.8**	**5 880.3**
Share capital	4.10	16.6	16.6
Capital reserves		413.1	470.9
Goodwill	3.12	−47.1	−47.1
Treasury shares	4.10	−14.2	−14.8
Retained earnings		2 376.9	2 215.4
Equity		**2 745.3**	**2 641.0**
Long-term borrowings	4.11	2 083.6	2 155.4
Deferred tax liabilities	5.1.2	460.9	423.5
Long-term provisions	4.12	0.9	0.8
Long-term liabilities		**2 545.4**	**2 579.7**
Trade payables	4.13	60.1	67.1
Current tax liabilities		15.7	7.5
Other current liabilities	4.14	38.8	38.8
Provisions	4.12	2.1	1.9
Borrowings	4.11	591.4	544.3
Short-term liabilities		**708.1**	**659.6**
Liabilities		**3 253.5**	**3 239.3**
Equity and liabilities		**5 998.8**	**5 880.3**

Consolidated statement of changes in shareholders' equity

CHF million					Retained earnings		
	Share capital	Capital reserves	Treasury shares	Goodwill	Revaluation reserves	Other retained earnings	Total
As at 31 December 2023	**16.6**	**528.7**	**−14.8**	**−47.1**	**406.7**	**1 655.0**	**2 545.1**
Net profit						211.4	211.4
Purchase treasury shares			0.0				0.0
Sale treasury shares			0.1			−0.1	0.0
Distribution to shareholders		−57.8				−57.8	−115.6
Share-based remuneration			0.1				0.1
Reclassification					88.7	−88.7	0.0
As at 31 December 2024	**16.6**	**470.9**	**−14.6**	**−47.1**	**495.4**	**1 719.8**	**2 641.0**
Net profit						219.3	219.3
Purchase treasury shares			0.0				0.0
Sale treasury shares			0.0				0.0
Distribution to shareholders		−57.8				−57.8	−115.6
Share-based remuneration			0.6				0.6
Reclassification					97.2	−97.2	0.0
As at 31 December 2025	**16.6**	**413.1**	**−14.0**	**−47.1**	**592.6**	**1 784.1**	**2 745.3**

Capital reserves represent the amount (premium) earned by shareholders over and above the nominal value on subscription of share capital of Allreal Holding AG after deduction of the corresponding issue costs. The capital reserves and retained earnings can be distributed to shareholders up to the statutory minimum requirement of CHF 8.3 million (50% of share capital).

Consolidated cash flow statement

CHF million	Note	2025	2024
Net profit before tax		277.6	276.2
Net financial expenses	3.7/3.8	31.2	35.0
Earnings from revaluation of investment properties	4.1	−125.0	−121.3
Depreciation other property, plant and equipment	4.4	1.6	2.3
Depreciation intangible assets	4.6	0.1	0.1
Earnings from sale of investment properties	3.3	−2.6	−7.6
Capitalisation of own developments		−8.7	−5.9
Share-based remuneration	3.11	0.6	0.1
Other items		2.1	1.9
Decrease / (Increase) in development properties		1.7	−29.8
Decrease / (increase) in trade receivables		26.9	−14.6
Decrease / (increase) in other receivables		−3.7	−2.2
Increase / (decrease) in provisions		0.3	0.4
Increase / (decrease) in trade payables		−7.0	11.5
Increase / (decrease) in other current liabilities		0.3	−14.5
Cost of finance paid		−32.6	−34.3
Financial income received		1.5	1.3
Income tax paid		−7.8	−13.5
Cash flow from operating activities		**156.5**	**85.1**
Investment in investment properties	4.1	−29.2	−14.3
Divestment of investment properties		36.9	42.7
Investment in investment properties under construction	4.1	−18.5	−13.2
Acquisition of other property, plant and equipment	4.4	−0.2	−3.4
Divestment of other property, plant and equipment	4.4	0.2	0.5
Investment in intangible assets	4.5	−0.3	−0.2
Increase in financial assets		−15.7	−8.9
Decrease in financial assets		12.3	11.2
Cash flow from investing activities		**−14.5**	**14.4**
Increase in borrowings		217.0	214.5
Decrease in borrowings		−377.4	−207.1
Issue of bond loan	5.4.3	235.0	150.0
Repayment of bond loan	5.4.3	−100.0	−149.6
Purchase treasury shares		0.0	0.0
Sale treasury shares		0.0	0.0
Distribution to shareholders		−115.6	−115.6
Cash flow from financing activities		**−141.0**	**−107.8**
Change in cash		**1.0**	**−8.3**
Cash at 1 January		4.3	12.6
Cash at 31 December		**5.4**	**4.3**

Segment information for the financial year 2025

CHF million	Real Estate	Development & Realisation	Total segments	Holding/ eliminations	Total
Income statement					
Operating income	204.0	232.7	436.7	0.0	436.7
Profit from intercompany services	−9.2	9.8	0.6	−0.6	0.0
Direct operating expenses	−23.8	−190.7	−214.5	0.0	−214.5
Operating expenses	−7.1	−41.5	−48.6	−1.6	−50.2
Capitalised own developments	0.0	10.9	10.9	0.0	10.9
Earnings from sale of investment properties	2.6	0.0	2.6	0.0	2.6
Earnings from revaluation of investment properties	125.0	0.0	125.0	0.0	125.0
EBITDA	**291.5**	**21.2**	**312.7**	**−2.2**	**310.5**
Depreciation and amortisation	0.0	−1.7	−1.7	0.0	−1.7
Operating profit (EBIT)	**291.5**	**19.5**	**311.0**	**−2.2**	**308.8**
Financial income	1.6	0.0	1.6	0.0	1.6
Financial expense	−29.7	−3.1	−32.8	0.0	−32.8
Tax expense	−52.4	−5.7	−58.1	−0.2	−58.3
Net profit	**211.0**	**10.7**	**221.7**	**−2.4**	**219.3**
EBITDA excl. revaluation gains	166.5	21.2	187.7	−2.2	185.5
Operating profit (EBIT) excl. revaluation gains	166.5	19.5	186.0	−2.2	183.8
Net profit excl. revaluation effect	**113.8**	**10.7**	**124.5**	**−2.4**	**122.1**
Operating margin in percent[1]	91.1	36.9	78.9	0.0	78.0
Rental income from investment properties	204.0	0.0	204.0	0.0	204.0
Completed project volume third-party projects	0.0	160.2	160.2	0.0	160.2
Completed project volume own projects	0.0	122.4	122.4	0.0	122.4
Total sales (according to internal reporting)	204.0	282.6	486.6	0.0	486.6
less sales from intercompany services	0.0	−68.0	−68.0	0.0	−68.0
Total sales to third parties (according to internal reporting)	204.0	214.6	418.6	0.0	418.6
plus reconciliation item external reporting[2]	0.0	14.5	14.5	0.0	14.5
Other income	0.0	3.6	3.6	0.0	3.6
Operating income	204.0	232.7	436.7	0.0	436.7
Balance sheet as at 31.12.2025					
Non-current assets	5 258.4	9.3	5 267.7	0.0	5 267.7
Current assets	111.7	618.3	730.0	1.1	731.1
Total assets	**5 370.1**	**627.6**	**5 997.7**	**1.1**	**5 998.8**
Provisions	0.0	3.0	3.0	0.0	3.0
Other debt (excl. financing and taxes)	25.7	73.2	98.9	0.0	98.9
Financial liabilities	2 390.6	284.4	2 675.0	0.0	2 675.0
Tax liabilities	461.1	15.3	476.4	0.2	476.6
Total debt	**2 877.4**	**375.9**	**3 253.3**	**0.2**	**3 253.5**
Total assigned equity[3]	**2 492.7**	**251.7**	**2 744.4**	**0.9**	**2 745.3**

1 EBIT less revaluation gains as a percentage of income from business activity (balance of operating income, direct operating expenses, capitalised own development, and income from sale of investment properties)
2 See 2.6 for an explanation of the reconciliation item
3 Assignment of equity to individual segments corresponds to internal financial reporting guidelines requiring an equity ratio of 40% for the Development & Realisation segment; financial and tax liabilities will be assigned accordingly.

Segment information for the financial year 2024

CHF million	Real Estate	Development & Realisation	Total segments	Holding/ eliminations	Total
Income statement					
Operating income	221.3	198.8	420.1	0.0	420.1
Profit from intercompany services	−9.0	9.6	0.6	−0.6	0.0
Direct operating expenses	−27.2	−166.0	−193.2	0.0	−193.2
Operating expenses	−7.6	−42.6	−50.2	−2.0	−52.2
Capitalised own developments	0.0	10.0	10.0	0.0	10.0
Earnings from sale of investment properties	7.6	0.0	7.6	0.0	7.6
Earnings from revaluation of investment properties	121.3	0.0	121.3	0.0	121.3
EBITDA	**306.4**	**9.8**	**316.2**	**−2.6**	**313.6**
Depreciation and amortisation	0.0	−2.4	−2.4	0.0	−2.4
Operating profit (EBIT)	**306.4**	**7.4**	**313.8**	**−2.6**	**311.2**
Financial income	1.6	0.0	1.6	0.0	1.6
Financial expense	−33.2	−3.4	−36.6	0.0	−36.6
Tax expense	−63.1	−1.0	−64.1	−0.7	−64.8
Net profit	**211.7**	**3.0**	**214.7**	**−3.3**	**211.4**
EBITDA excl. revaluation gains	185.1	9.8	194.9	−2.6	192.3
Operating profit (EBIT) excl. revaluation gains	185.1	7.4	192.5	−2.6	189.9
Net profit excl. revaluation effect	**123.0**	**3.0**	**126.0**	**−3.3**	**122.7**
Operating margin in percent[1]	91.8	17.3	78.7	0.0	77.7
Rental income from investment properties	221.3	0.0	221.3	0.0	221.3
Completed project volume third-party projects	0.0	170.4	170.4	0.0	170.4
Completed project volume own projects	0.0	77.7	77.7	0.0	77.7
Total sales (according to internal reporting)	221.3	248.1	469.4	0.0	469.4
less sales from intercompany services	0.0	−57.2	−57.2	0.0	−57.2
Total sales to third parties (according to internal reporting)	221.3	190.9	412.2	0.0	412.2
plus reconciliation item external reporting[2]	0.0	3.9	3.9	0.0	3.9
Other income	0.0	4.0	4.0	0.0	4.0
Operating income	221.3	198.8	420.1	0.0	420.1
Balance sheet as at 31.12.2024					
Non-current assets	5 275.8	18.1	5 293.9	0.0	5 293.9
Current assets	25.8	559.8	585.6	0.8	586.4
Total assets	**5 301.6**	**577.9**	**5 879.5**	**0.8**	**5 880.3**
Provisions	0.0	2.7	2.7	0.0	2.7
Other debt (excl. financing and taxes)	36.2	69.7	105.9	0.0	105.9
Financial liabilities	2 438.6	261.1	2 699.7	0.0	2 699.7
Tax liabilities	418.3	12.7	431.0	0.0	431.0
Total debt	**2 893.1**	**346.2**	**3 239.3**	**0.0**	**3 239.3**
Total assigned equity[3]	**2 408.5**	**231.7**	**2 640.2**	**0.8**	**2 641.0**

1 EBIT less revaluation gains as a percentage of income from business activity (balance of operating income, direct operating expenses, capitalised own development, and income from sale of investment properties)
2 See 2.6 for an explanation of the reconciliation item
3 Assignment of equity to individual segments corresponds to internal financial reporting guidelines requiring an equity ratio of 40% for the Development & Realisation segment; financial and tax liabilities will be assigned accordingly.

Notes to the consolidated financial statements

1. Basic principles

1.1 Activity

Allreal Group is a real estate company which operates exclusively in Switzerland, with the main focus on the Zurich and Geneva business regions. It is involved in the development and management of its portfolio of residential and commercial properties and engages in management activities for its own investment properties (Real Estate segment). Allreal also handles basic planning, the execution of construction projects and the purchase and sale of properties (Development & Realisation segment).

Allreal Holding AG (parent company) has its registered office in Opfikon, Switzerland, and is listed on the SIX Swiss Exchange.

On 18 February 2026, the Board of Directors of Allreal Holding AG approved the consolidated financial statements for publication. They are also subject to the approval of the annual general meeting of Allreal Holding AG of 17 April 2026.

1.2 Basis of preparation

The consolidated financial statements were prepared as at 31 December 2025 in accordance with the Accounting and Reporting Recommendations (Swiss GAAP FER) and are compatible with the Listing Rules, as well as Article 17 of the Financial Reporting Directive (DFR) of SIX Swiss Exchange, and with Swiss law.

1.3 Method of consolidation

Subsidiaries are fully consolidated with effect from the date of their acquisition, i.e. from the date on which Allreal gains control. Allreal will be deemed to have gained control if, on the basis of existing rights, it is able to direct those activities of the subsidiaries that significantly affect their returns.

Capital is consolidated at the time of purchase using the acquisition method. Transaction costs in connection with a corporate acquisition are entered as part of the acquisition cost. The difference between the purchase price of an acquired company and the fair value of the net assets taken on at the time of the acquisition is offset against shareholders’ equity as goodwill. The impact of a theoretical capitalisation of the goodwill is shown in the Notes. When a company is sold, the theoretical book value of the goodwill is taken to income.

Subsidiaries are deconsolidated with effect from the date on which control ends.

All intra-Group balances, income and expenses, as well as unrealised gains and losses from intra-Group transactions, are fully eliminated.

1.4 Scope of consolidation

Company	Registered office	Share capital CHF million	Share-holding in 2025	Share-holding in 2024
Allreal Holding AG	Opfikon ZH	16.60	–	–
Allreal Generalunternehmung AG	Opfikon ZH	10.00	100%	100%
Allreal Home AG	Opfikon ZH	26.52	100%	100%
Allreal Office AG	Opfikon ZH	150.00	100%	100%
Allreal Romandie SA	Plan-les-Ouates GE	0.10	100%	100%
Allreal Toni AG	Opfikon ZH	90.00	100%	100%
Creactive Properties SA[1]	Plan-les-Ouates GE	–	–	100%
Allreal Développement Romandie SA[2]	Plan-les-Ouates GE	0.10	100%	100%

1 Merged with Allreal Romandie SA effective 1 January 2025
2 Name change from Roof SA to Allreal Développement Romandie SA

Compared to 31 December 2024, the scope of consolidation changed following the absorption of Creactive Properties SA by Allreal Romandie SA. The company was already fully owned directly by Allreal Holding AG in the previous year, meaning that there were no changes for consolidation purposes. In addition, Roof SA was renamed Allreal Développement Romandie SA.

1.5 Segment reporting

Allreal Group is subdivided into the two segments Real Estate and Development & Realisation, which in turn constitute divisions in their own right. This presentation is in line with the internal reporting to Group Management as the decision-making body that monitors the two segments on the level of net profit on a quarterly basis. Since the Group operates in Switzerland only, a geographical breakdown is not required.

The Real Estate segment comprises the companies Allreal Home AG (residential properties), Allreal Office AG (commercial properties), Allreal Toni AG (Toni site in Zurich-West) and Allreal Romandie SA (residential and commercial properties in Geneva).

The Development & Realisation segment largely comprises the companies Allreal Generalunternehmung AG and Allreal Développement Romandie SA.

The activities of Allreal Holding AG (parent company) are not assigned to the two segments, as their business activities do not generate any operating income. They are listed in the segment information under holding company/eliminations.

2. Accounting and valuation principles

2.1 General

The preparation of the consolidated financial statements requires estimates and assumptions to be made. These relate to the reported amounts of assets, liabilities and contingent liabilities on the balance sheet date and to income and expenditure during the reporting period. The balance sheet is prepared strictly on the basis of acquisition costs, with the exception of investment properties, which are entered at market values. For significant estimates and assumptions, see the following accounting and valuation principles, in particular 2.26.

2.2 Rental income from investment properties

Rental income from investment properties comprises net rental income after deduction of vacancy losses, of losses due to bad debts, and of ground rents. Management, operation, maintenance and repairs are reported separately in the income statement as direct expenses for rented investment properties.

Rent-free periods in commercial premises are recognised on a straight line basis over the contract term.

2.3 Earnings from sale of investment properties

Gains and losses on the sale of investment properties correspond to the difference between the realised net proceeds after deduction of transaction costs and the latest recorded market value of the properties sold. The earnings are taken to the income statement at the time of the transfer of control.

2.4 Earnings from revaluation of investment properties

The revaluation of investment properties and investment properties under construction shows changes in the market value of the property portfolio. The report of the external valuation expert serves as the basis. The property valuation underlying the revaluation excludes the deduction of transaction costs at the time of sale.

2.5 Earnings from Development & Realisation

Earnings from Development & Realisation include earnings from Realisation (third-party projects), earnings from sales Development (own projects), capitalised own development and other income.

Income from Realisation includes the project volume completed during the reporting period for third parties (third-party projects) and corresponds to the total of all project costs, fees and earnings from construction activity recognised by the percentage of completion (POC) method. In the case of loss-making projects, provisions are immediately made for the estimated final loss in the order balances.

Direct expenses from Realisation contain the accrued project costs of all third-party projects.

Income from the sale of development properties comprises the project volume completed during the reporting period and corresponds to the total of all project costs and gains on sales recorded under the percentage of completion (POC) method. Sales recorded under the POC method solely include the notarised development property units that were sold. In the case of loss-making projects, provisions are immediately made for the estimated final loss in the order balances.

Direct expenses from sales Development contain the accrued project costs.

Capitalised own development accrues from investment properties under construction as well as development properties and is taken to income at cost.

2.6 Reconciliation of segment reports to the income statement

The presentation of net profit in the internal reports is similar to that in the segment reports. As regards the Development & Realisation segment, the segment reports differ from the income statement in respect of the quantification of sales.

In the segment reports, the volume of projects completed for all third-party and own projects is taken as the relevant sales figure.

In the income statement, sales from Realisation and sales of development properties are recognised in accordance with 2.5. In the segment reports, in respect of the volume of projects completed for the Real Estate segment (intra-Group sales) and for own projects, the difference between projects completed and sales Development is stated.

2.7 Financial expense / capitalised building loan interest

Interest expenses are recognised in the income statement on an accrual basis using the effective interest method.

For development properties under construction and investment properties under construction, debt interest is capitalised. The underlying debt interest rate is the average borrowing rate during the reporting period.

2.8 Investment properties

The investment properties reported under non-current assets are divided into investment properties (residential and commercial properties) and investment properties under construction. All investment properties are carried at market value. The valuation of residential and commercial properties at the time of initial recognition is based on acquisition cost, including directly attributable transaction costs. After the initial recognition, the external valuation expert regularly determines the market values on the balance sheet date using the discounted cash flow method (DCF). For details of the valuation method and the key assumptions, see 2.26. Changes in the market value are taken to the income statement, factoring in deferred taxes. In the consolidated statement of changes in shareholders' equity, the cumulative difference between the acquisition cost and market value of all investment properties, factoring in deferred taxes encumbering said properties, is recognised as part of retained earnings (revaluation reserves). Investment properties whose book value is not likely to be derived from continued use but through a sale are reported separately at market value in current assets as investment properties held for sale. This is conditional on the sale being highly probable and the investment properties being in a condition ready to be sold immediately. For a sale to be classified as highly probable, it must be expected to take place within one year. For projects to be assigned to investment properties under construction, realisation must be intended for the portfolio of investment properties, which is conditional on a minuted decision by the Board of Directors. It must also be possible to form a reliable estimate of expenditure and income, and a building permit and construction approval which can no longer be contested by third parties need to have been issued for the project.

2.9 Development properties

Development properties include land reserves, buildings under construction, and completed properties whose ownership has not yet been transferred. If the criteria for investment properties under construction mentioned in **2.8** are not met, such projects are carried on the balance sheet as development properties.

Development properties are recognised at acquisition or production costs or, if lower, their net realisable value. The latter corresponds to the estimated selling price less expected project, construction and sales costs up until the disposal. Any impairment is taken to direct expenses from sales Development.

Land already owned by Allreal or payments on account for planned land purchases and third-party costs (but not own development) are capitalised under development reserves if the project is expected to be realised, but work has not yet started.

Projects in progress for which the transfer of ownership to a third party has not yet occurred are recognised as buildings under construction. Realised development properties which have reached structural completion and development properties destined for immediate sale to third parties are reported as completed buildings up to the transfer of ownership. The prepayments made by purchasers are offset against the costs incurred as of notarisation.

2.10 Other property, plant and equipment

Other property, plant and equipment is stated at acquisition or production costs less operationally necessary depreciation and, where appropriate, less additional depreciation as a result of impairment losses. The estimated useful life of tenant fit-outs is ten years, while for plant and equipment, vehicles and charging stations it is four to five years, and for IT infrastructure it is three years. The depreciation is carried out on a straight-line basis. Photovoltaic installations are reported directly under investment properties.

2.11 Financial assets

Financial assets include long-term loans in the context of usual business operations for prefinancing tenant fit-outs. Loans are stated using the amortised cost method since the associated payments qualify as repayment and interest only. They are freely disposable and not pledged.

2.12 Intangible assets

Intangible assets comprise software and IT developments, which are recognised at acquisition costs and, from the time they are first used, are depreciated to the income statement on a straight-line basis over their estimated useful life of three years.

2.13 Short-term receivables

Receivables from construction activities undertaken on behalf of third parties are recognised according to the net principle, i.e. payments on account received from clients and partial settlements of accounts arising from the construction activities are offset against each other (order balances). Positive net items are shown under trade receivables, while negative net items are shown under trade payables; see also 2.6.

Trade receivables and other receivables are reported at their transaction price less necessary value adjustments for irrecoverable claims. Value adjustments are based on an individual assessment of the claim in the light of deposited collateral and also take account of historical empirical values as well as future factors. All short-term receivables are freely disposable and are not pledged.

2.14 Cash

Cash includes cash on hand, sight deposits with banks and short-term time deposits with maximum maturities of 90 days. They are reported at nominal value and correspond to the fund for the cash flow statement.

2.15 Share capital / Equity / Goodwill

The share capital of Allreal Holding AG is reported as equity as it is not subject to any repayment obligation or dividend guarantee. Issuing costs which are incurred in connection with a capital increase and are directly attributable to the issuance of new shares are offset against the capital reserves under equity. The premium paid with capital increases or through conversion of a convertible bond is reported under capital reserves. The overall purchase price of the treasury shares is deducted from the consolidated equity.

Goodwill corresponds to the difference between the purchase price of an acquired company and the fair value of the net assets taken on at the time of the acquisition and is offset against shareholders' equity. The impact of a theoretical capitalisation of the goodwill is shown in the Notes. The depreciation of the goodwill would take place over five years.

2.16 Bonds

Bonds are recognised on issue on the basis of the proceeds received, net of transaction costs. The difference between reported financial liabilities and the repayment amount is amortised to the income statement over the bond's term to maturity using the effective interest method.

2.17 Long-term borrowings

In addition to bond issues, financial debt includes loans secured by mortgages and is recognised under financial liabilities. Borrowings are recognised at amortised costs using the effective interest method.

2.18 Long-term provisions

Provisions are made to the extent that corresponding obligations exist at the balance sheet date and the respective event is in the past. In addition, the amount can be estimated reliably and the probability of occurrence is rated higher than that of non-occurrence. If the effect is material, provisions are discounted.

2.19 Leasing

Leasing agreements are recognised as financial leasing if all risks and opportunities associated with ownership of the leased item are essentially handed over to Allreal. Each leasing agreement is classified at the beginning of the lease. In the initial recognition, the leased item is entered at the lower of the present value of the lease payments, or the market value. The payment instalments are divided into interest payments and repayments. The leased item is depreciated over its estimated useful life or the lease term where this is shorter.

Expenses for operating leases are taken to income at the time of recognition.

2.20 Current liabilities

Trade payables, prepayments for development properties up to notarisation and other liabilities (accrued liabilities) due within one year are recorded at their nominal value.

2.21 Impairment

If there is reason to believe that the value of property, plant and equipment and intangible assets has been impaired, an impairment test will be carried out and the realisable value will be estimated. The realisable value is the higher of value in use or market value less selling costs. Any difference between the asset and the realisable value is depreciated to the income statement and reported separately in the notes to the consolidated financial statements.

2.22 Taxes

Tax expense covers current taxes on business activities, deferred taxes on revaluation and other deferred taxes.

Current taxes on business activities include income taxes due for the financial year as well as property gains tax on the completion and sale of development properties (Development & Realisation segment) and the sale of investment properties (Real Estate segment).

Current income taxes are calculated net of tax loss carry-forwards and in compliance with the applicable tax regulations.

Deferred taxes are determined using the balance sheet liability method and are calculated at the tax rates in force or announced on the balance sheet date. Changes in deferred taxes are taken to the income statement.

Deferred tax liabilities take account of discrepancies in income and property gains taxes between the valuation for purposes of the consolidated financial statements and the applicable tax valuation of individual assets and liabilities for tax purposes. A deferred tax is calculated on discrepancies leading to delays in the timing of taxation. For the higher revaluation of investment properties, an individual tax rate is applied. For calculating the deferred tax liabilities, a 20-year holding period is assumed or the effective holding period if this period exceeds 20 years.

Deferred tax assets from tax loss carry-forwards and the lower revaluation of investment properties (negative difference between tax value and market value) are capitalised at the prevailing tax rate if they appear certain to be recoverable with future taxable income.

2.23 Employee pension plans

Employees of Allreal Generalunternehmung AG are covered by the Allreal pension fund for mandatory and extra-mandatory staff pension provision as required by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG).

The Allreal pension fund is a legally independent pension institution based on the principle of defined contributions in accordance with Swiss law and is financed by matching contributions from the employer and employees. Any surpluses or deficits are determined on the basis of the financial statements issued in accordance with Swiss GAAP FER 26.

Employees of Allreal Romandie SA are members of a semi-autonomous collective fund for mandatory and extra-mandatory staff pension provision as required by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The employer and employees pay matching contributions into the foundation, and any surpluses or deficits are determined on the basis of the financial statements issued in accordance with Swiss GAAP FER 26.

If permitted and intended, any economic benefit resulting from these pension plans is recorded in the balance sheet as to take the form of a reduction of future contributions to the pension fund. Any economic obligations are carried as liabilities, provided that the preconditions for the formation of accruals are met. Personnel expenses comprise the employer's pension expenses, as well as changes in the balance sheet items.

Some staff are also covered by a management insurance scheme arranged with an insurance company which is classed as a defined contribution plan. The expenditure reported during the reporting period corresponds to the employer's payments to the plan.

2.24 Share-based remuneration

Part of the variable remuneration may be paid to the members of Group Management in the form of shares of Allreal Holding AG. Beneficiaries have a right of disposal over the shares allocated to them after three years. Entitlements are satisfied by the company by means of treasury shares. The amount resulting from the share allocation is charged to personnel expenses over the vesting period. Shares are recognised at market value at the time of allocation.

2.25 Earnings per share

Net profit per share is calculated by dividing net profit by the weighted average number of shares outstanding during the reporting period. Diluted earnings per share take account of additional shares that may be created as a result of the exercising of option or conversion rights and will have a dilutive effect on the result.

2.26 Valuation uncertainties

Investment properties

As at 31 December 2025, Allreal holds investment properties and investment properties held for sale with a book value of CHF 5267.0 million (31.12.2024: CHF 5195.9 million). The investment properties are valued at market value calculated using the discounted cash flow method (DCF). The DCF method is based on various estimates and assumptions, with the yield potential of a property being derived on the basis of future revenue and expenditure. Market values do not take account of transaction costs upon sale.

Future rental income is forecasted on the basis of current contractual rents and target annual rental income. In the case of expiring commercial leases, a typical local market rent which appears sustainable from a current perspective is used.

Moreover, property-specific assumptions with regard to temporary and structural vacancies will be factored into the market valuation.

Management and building costs are in principle based on the relevant property accounts and include non-apportionable operating and maintenance costs, as well as future repair costs based on Allreal's multi-year budgets. These costs include costs for asset maintenance to secure the long-term level of contractual and market interest rates on which the valuation is based as well as value-enhancing investments generating future additional income. Interest expenses for existing leasehold agreements are also taken into account.

A property-specific discount is made on each investment property on the basis of macro and micro-locational considerations and depending on property segment. Inflation is taken into account in the forecasted cash flows. The discount and capitalisation rates are based on the interest paid on long-term, risk-free investments plus a specific risk premium.

If the actual market rents in subsequent years are lower than projected in the DCF valuations, this may lead to an adjustment of the market values. This devaluation effect on investment properties would be even stronger in combination with rising discount and capitalisation rates.

In the case of investment properties under construction, future rental income is also ascertained on the basis of typical local market rents or rents already contractually agreed. On the cost side, expenses are determined with the aid of investment calculations, the chronological progress of construction phases and cost forecasts.

Development properties

As at 31 December 2025, Allreal holds development properties with a book value of CHF 577.6 million (31.12.2024: CHF 501.5 million). It was valued at acquisition or production costs – including own development for buildings under construction – less value adjustments for impairment losses. On the balance sheet date at the latest, an impairment test is carried out for all development projects by comparing incurred and future costs with the realisable value. On the cost side, expenses are, among other methods, determined with the aid of investment calculations, the chronological progress of construction phases and cost forecasts. The proceeds are based on market assessments, empirical values and completed sales to date. If actual construction costs and sales proceeds in subsequent periods differ from the estimates and planned figures, the book values may need to be adjusted.

Taxes

Allreal has deferred tax assets totalling CHF 0.5 million (31.12.2024: CHF 0.8 million) and liabilities totalling CHF 460.9 million (31.12.2024: CHF 423.5 million), which stem mainly from valuation differences relating to investment properties; see **2.22**. For calculating the deferred tax liabilities, a 20-year holding period is assumed or the effective holding period if this period exceeds 20 years. If the actual holding period of the investment properties does not correspond to the assumed holding period, this may result in a considerable difference between the tax due and the capitalised deferred taxes when the property is sold.

2.27 Information on the implementation of a risk assessment

Allreal has the comprehensive management system "Processes at Allreal for Quality" (PAQ). This system describes all parent processes and associated controls, and integrates the tasks of management, operational processes and support processes. The PAQ also covers non-financial processes in particular. There is also a documented internal control system in place for accounting and financial reporting to prevent, minimise or identify the risk of material misrepresentation in the annual accounts.

Once a year, the Board of Directors evaluates at corporate level the risk assessment prepared by the Audit and Risk Committee (ARC) (identification, quantification, monitoring and control). In particular, the risk assessment must explicitly give consideration to the reliability and completeness of financial information (fair presentation), asset protection, compliance with laws, regulations and contracts, as well as the risk of balance sheet fraud.

Effective internal control and management systems are in place to ensure that the consolidated financial statements of Allreal Group comply with the applicable accounting rules and to ensure the fair presentation of reporting. Accounting and valuation involve making forward-looking estimates and assumptions. Estimates and assumptions which pose a significant risk in the form of an adjustment to the book values of assets and liabilities within the next financial year are shown under the individual positions in the Notes; see **2.26**.

3. Notes to the consolidated income statement

3.1 Rental income from investment properties

CHF million	**2025**	2024
Rental income from residential properties	54.0	53.2
Rental income from commercial properties	150.0	168.1
Rental income from investment properties	**204.0**	**221.3**

Rental income is calculated as follows:

CHF million	**2025**	2024
Target rental income	214.7	218.3
Vacancy	−7.4	−3.6
Collection losses, loss of income as a result of rent-free periods and ohter income	−2.0	8.0
Ground rents	−1.3	−1.4
Rental income from investment properties	**204.0**	**221.3**

The cumulated vacancy rate for the financial year 2025 amounted to a total of 3.4% of target rental income (2024: 1.6%), with residential properties accounting for 0.8% and commercial properties 4.3% (2024: 0.8% and 1.9%, respectively).

The rest of the rental income breaks down as follows:

CHF million	2025	2024
Residential properties held on a continuous basis	54.0	53.2
Commercial properties held on a continuous basis	149.2	167.2
Sold properties	0.8	0.9
Rental income from investment properties	**204.0**	**221.3**

The properties at Steinenvorstadt 36 in Basel and Materlochstrasse 21 in Bülach that were sold in 2025 generated rental income of CHF 0.8 million in the reporting period.

3.2 Direct expenses for rented investment properties

CHF million	2025	2024
Administrative and operating expenses, residential properties	−1.7	−2.0
Administrative and operating expenses, commercial properties	−6.1	−6.2
Maintenance and repair expenses, residential properties	−4.8	−5.0
Maintenance and repair expenses, commercial properties	−11.2	−14.0
Real estate expenses	**−23.8**	**−27.2**

The property expenses relate solely to the investment properties in the Real Estate segment.

CHF million	2025	2024
Administrative fees and costs	−1.9	−2.7
Insurance, fees and charges	−3.1	−2.9
Janitorial services	−0.6	−0.6
Other expense and ancillary costs (borne by owner)	−2.2	−2.0
Administrative and operating expenses	**−7.8**	**−8.2**

In 2025, real estate expenses for unlet properties amounted to CHF 1.7 million (2024: CHF 1.5 million).

3.3 Earnings from sale of investment properties

CHF million	2025	2024
Proceeds from sale	29.0	43.5
Transaction costs on sale	−0.5	−0.8
Balance sheet value = market value on 31 December of the previous year	−25.9	−35.1
Earnings from sale of investment properties	**2.6**	**7.6**

In 2025, commercial properties at Steinenvorstadt 36 in Basel and Marterlochstrasse 21 in Bülach were divested at a sale price of CHF 29.0 million. After deduction of transaction costs, earnings from sale of investment properties amounted to CHF 2.6 million.

3.4 Earnings from Development & Realisation

CHF million	2025	2024
Income from Realisation	160.2	170.4
Direct expenses from Realisation	−142.9	−152.8
Earnings from Realisation	**17.3**	**17.6**
Income from sales Development	68.9	24.3
Direct expenses from sales Development	−47.8	−13.1
Earnings from sales Development	**21.1**	**11.2**
Capitalised own assets	**10.9**	**10.0**
Other income	**3.6**	**4.0**
Earnings from Development & Realisation segment	**52.9**	**42.8**

Earnings from realisation consists of architects' and project & development fees (CHF 12.3 million) and earnings from construction activity (CHF 6.8 million) (2024: CHF 15 million / CHF 4.1 million). This contrasts with directly offset sales deductions of CHF –1.8 million for warranty expenses, construction insurance and guarantees, performance guarantees, bad debt allowances and third-party expenses arising from tendering (2024: CHF –1.5 million).

Income from sales Development is made up of revenue from the Spiserstrasse in Zurich, Panorama Eggen in Lucerne, Strubenacher Living in Zumikon, Avenue du Curé-Baud in Grand-Lancy and Avenue de l'Amandolier in Geneva residential real estate projects (CHF 68.9 million). This resulted in gains on sales of CHF 21.1 million.

Other income includes fees for third-party project development activities amounting to CHF 0.3 million, as well as other earnings from commissions and services provided for third parties amounting to CHF 0.7 million and rental income from development reserves in the amount of CHF 2.6 million.

3.5 Personnel expenses

CHF million	2025	2024
Salaries and wages	−31.3	−33.0
Social insurance costs	−3.1	−3.0
Employee pension plans	−2.9	−2.5
Share-based remuneration	−0.6	−0.1
Other personnel expenses	−2.7	−2.5
Personnel expenses	**−40.6**	**−41.1**

Other personnel expenses include spending on actual and flat-rate staff expenses (CHF –1.2 million), training and development (CHF –0.3 million), costs for the recruitment of new employees (CHF –0.2 million), freelancers for Realisation department projects (CHF –0.7 million) and other directly attributable staff expenses (CHF –0.3 million).

On the balance sheet date, the staff headcount stood at 224 employees, corresponding to 211 full-time equivalents (31.12.2024: 229 employees / 216 full-time equivalents).

3.6 Other operating expenses

CHF million	2025	2024
IT expenses	−1.8	−1.9
Rental expenses	−0.4	−0.8
Consultancy and legal fees	−1.3	−2.1
Administration expenses	−3.4	−3.7
Capital taxes	−2.1	−1.9
Other general operating expenses	−0.6	−0.7
Other operating expenses	**−9.6**	**−11.1**

3.7 Financial income

CHF million	2025	2024
Interest income on financial assets	1.6	1.6
Financial income	**1.6**	**1.6**

3.8 Financial expense

CHF million	2025	2024
Interest expense for bond issues	−15.9	−15.7
Interest expense payable to banks/insurance companies for liabilities	−17.0	−20.6
Capitalised building loan interest	0.4	0.1
Other financial expenses	−0.3	−0.4
Financial expense	**−32.8**	**−36.6**

The interest expense for bond issues includes paid and accrued interest of CHF −15.9 million as at the balance sheet date (2024: CHF −15.7 million) and amortisation of CHF 0.5 million between the debt components and the redemption amounts (2024: CHF 0.0 million).

Capitalised building loan interest of CHF 0.4 million (2024: CHF 0.1 million) relates in full to investment properties under construction and buildings under construction, applying an average interest rate of 1.13% and debt financing of 50% (2024: 1.25% and 50%).

3.9 Net profit per share / net asset value (NAV) per share

	2025	2024
Number of outstanding shares as at 1 January (in thousands)	16 511	16 510
Change in holdings of treasury shares (in thousands)	4	1
Number of outstanding shares as at 31 December (in thousands)	16 515	16 511
Average number of outstanding shares (in thousands)	16 516	16 514
Net profit excl. revaluation effect (in CHF million)	122.1	122.7
Earnings from revaluation of investment properties (in CHF million)	125.0	121.3
Deferred taxes on revaluation gains (in CHF million)	–27.8	–32.6
Net profit incl. revaluation effect (in CHF million)	219.3	211.4
Earnings per share incl. revaluation effect (CHF)	**13.28**	**12.80**
Earnings per share excl. revaluation effect (CHF)	**7.39**	**7.43**
Diluted earnings per share		
– incl. revaluation effect (CHF)	13.28	12.80
– excl. revaluation effect (CHF)	7.39	7.43

The share-based remuneration of members of Group Management has the effect of diluting the earnings per share. For this calculation, the average number of outstanding shares increases from 16,513,541 to 16,516,378 shares.

CHF million	2025	2024
Outstanding shares (in thousands) as at 31 December	16 515	16 511
Equity as at 31 December (CHF million)	2 745.3	2 641.0
Net asset value (NAV) per share after deferred taxes (CHF)	**166.23**	**159.95**
Equity plus provision for deferred taxes less deferred tax assets (CHF million)	3 205.7	3 063.7
Net asset value (NAV) per share before deferred taxes (CHF)	**194.11**	**185.56**

3.10 Employee pension plans

Swiss pension institutions are subject to the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). The BVG stipulates that pension institutions must be managed autonomously and as legally independent institutions. The Board of Trustees, as the governing body of the pension fund, is made up of an equal number of employee and employer representatives. The Board of Trustees defines and implements an investment strategy.

Plan members of the pension fund are insured against the economic consequences of old age, disability and death, in respect of which the BVG stipulates minimum benefits. Both employer and employee pay a share of the contributions to the pension fund; these are based on the insured salary and on the age of the plan member. Pension contributions and annual interest are credited to the individual savings accounts. Upon retirement of a plan member, the balance of the savings account is either paid out or, applying a statutory conversion rate, converted into a retirement pension. Benefits will also be paid in cases of long-term occupational disability.

All actuarial risks, comprising demographic risks (life expectancy) as well as financial risks (return on plan assets or development of wages, salaries and pensions), are borne by the pension fund and regularly assessed by the Board of Trustees. In the event of a shortfall in coverage as defined by the BVG, recourse may be taken to various measures. These primarily include increasing current contributions, payment of additional restructuring contributions by the employer, or adjusting the conversion rates.

On 31 December 2024, the pension institution of Allreal Generalunternehmung AG had a surplus totalling CHF 51.3 million, and there was also a surplus on the balance sheet date. At no point did Allreal Group derive any economic benefit from these surpluses. Expenses of CHF 2.2 million were recorded for the pension institution in the period (2024: CHF 1.8 million).

Employees of Allreal Romandie SA are members of a semi-autonomous collective fund. The fund had a surplus as at the balance sheet date from which the companies do not benefit. Expenses of CHF 0.2 million were recorded for this collective fund in the period (2024: CHF 0.2 million).

Some Allreal staff are covered by a management insurance plan taken out with an insurance company. This management insurance scheme is part of a collective fund and does not show a surplus or shortfall. Allreal's only commitment in respect of this plan is to pay the annual contributions. In the reporting period, these amounted to CHF 0.7 million (2024: CHF 0.7 million).

3.11 Share-based remuneration

Members of Group Management receive remuneration in the form of shares in Allreal Holding AG. Entitlements are satisfied by the company by means of treasury shares.

Time of allocation	Number of Allreal shares	Share price in CHF	Expenses 2025 in CHF million	Availability
14.03.2023	412	147.80	0.020	14.03.2026
11.03.2024	792	151.70	0.040	11.03.2027
15.05.2025	2 110	182.56	0.075	15.05.2028

Provided that all preconditions are met, a total of 3314 shares of Allreal Holding AG will in future be distributed to eligible beneficiaries. Total expenses for share-based remuneration amounted to CHF 0.2 million in the reporting period (2024: CHF 0.2 million), of which CHF 0.2 million was recognised in profit or loss and CHF 0.0 million in equity (2024: CHF 0.1 million / CHF 0.1 million).

3.12 Purchase of companies / Goodwill

On 15 October 2021, Allreal Holding AG acquired various companies in the amount of CHF 489.8 million. The companies hold investment and development properties and are also active in the Development & Realisation segment with the company Allreal Développement Romandie SA (formerly Roof SA). The acquisition resulted in goodwill of CHF 47.1 million. This was offset against retained earnings at the time of the acquisition.

In the event that it were capitalised and depreciated over five years, the goodwill would be written down by CHF 9.4 million in the financial year 2025 and have the following impact on the net profit and shareholders' equity of the company:

CHF million	**2025**	2024
Goodwill		
Goodwill at 1 January	16.9	26.3
Goodwill depreciation	−9.4	−9.4
Goodwill at 31 December	**7.5**	**16.9**
Impact on net profit		
Net profit before Goodwill depreciation	219.3	211.4
Goodwill depreciation	−9.4	−9.4
Net profit after Goodwill depreciation	**209.9**	**202.0**
Impact on equity		
Equity at 31 December after offsetting Goodwill	2 745.3	2 641.0
Capitalisation Goodwill	7.5	16.9
Equity at 31 December without offsetting Goodwill	**2 752.8**	**2 657.9**

4. Notes to the consolidated balance sheet

4.1 Investment properties

	Residential properties		Commercial properties		Total investment properties	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
Acquisition costs						
As at 1 January	1 111.8	1 110.5	3 220.4	3 243.3	4 332.2	4 353.8
Purchases	0.0	0.0	0.0	0.0	0.0	0.0
Investments	10.8	1.3	22.2	16.0	33.0	17.3
Capitalised building loan interest	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	−53.4	−28.5	−53.4	−28.5
Reclassifications	−97.0	0.0	29.7	−10.4	−67.3	−10.4
As at 31 December	1 025.6	1 111.8	3 218.9	3 220.4	4 244.5	4 332.2
Revaluation						
As at 1 January	542.4	470.0	235.7	192.5	778.1	662.5
Higher valuations	82.4	108.6	61.6	137.7	144.0	246.3
Lower valuations	−4.9	−36.2	−22.3	−89.7	−27.2	−125.9
Rent-free periods	0.0	0.0	0.4	1.8	0.4	1.8
Disposals	0.1	0.0	27.6	−6.6	27.7	−6.6
Reclassifications	25.7	0.0	−60.4	0.0	−34.7	0.0
As at 31 December	645.7	542.4	242.5	235.7	888.2	778.1
Balance sheet value = market value on 1 January	**1 654.2**	**1 580.5**	**3 456.1**	**3 435.8**	**5 110.3**	**5 016.3**
Balance sheet value = market value on 31 December	**1 671.3**	**1 654.2**	**3 461.4**	**3 456.1**	**5 132.7**	**5 110.3**
of which pledged or subject	1 265.6	1 230.4	2 690.5	2 654.1	3 956.1	3 884.5
to restricted disposability	75.7%	74.4%	77.7%	76.8%	77.1%	76.0%

The reclassifications relate to Freiburgstrasse 130 in Bern, as well as Avenue de l'Amandolier 21 and Rue Edouard-Rod 10 in Geneva, which were all reclassified from investment properties under construction to investment properties upon completion. Baarermatte in Baar was reclassified from an investment property to an investment property under construction and a building under construction, while the property at Soodmattenstrasse 8/10 in Adliswil was reclassified as a development property. In addition, the properties Avenue Industrielle 18 and Rue Daniel-Gevril 10 in Carouge, Rue Jean-Jaquet 3 and Rue du Grand-Pré 57 in Geneva, and Chemin de la Traille 21/25/35 and Route de Loëx 51 in Onex were reclassified as investment properties held for sale.

The commercial and residential properties sold in 2025 at Steinenvorstadt 36 in Basel and the commercial property at Marterlochstrasse 21 in Bülach are recognised in disposals at their balance sheet value of CHF 25.9 million.

		Investment properties		Investment properties under construction		Total investment properties
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
As at 1 January	4 332.2	4 353.8	159.4	146.1	4 491.6	4 499.9
Purchases	0.0	0.0	0.0	0.0	0.0	0.0
Investments	33.0	17.3	18.5	13.2	51.5	30.5
Capitalised building loan interest	0.0	0.0	0.4	0.1	0.4	0.1
Disposals	−53.4	−28.5	0.0	0.0	−53.4	−28.5
Reclassification as revaluation	0.0	0.0	0.0	0.0	0.0	0.0
Reclassifications	−67.3	−10.4	−154.9	0.0	−222.2	−10.4
As at 31 December	4 244.5	4 332.2	23.4	159.4	4 267.9	4 491.6
Revaluation						
As at 1 January	778.1	662.5	−84.2	−85.1	693.9	577.4
Higher valuations	144.0	246.3	8.2	2.7	152.2	249.0
Lower valuations	−27.2	−125.9	0.0	−1.8	−27.2	−127.7
Rent-free periods	0.4	1.8	0.0	0.0	0.4	1.8
Disposals	27.7	−6.6	0.0	0.0	27.7	−6.6
Reclassification of acquisition costs	0.0	0.0	0.0	0.0	0.0	0.0
Reclassifications	−34.7	0.0	85.0	0.0	50.3	0.0
As at 31 December	888.2	778.1	9.0	−84.2	897.3	693.9
Balance sheet value = market value on 1 January	**5 110.3**	**5 016.3**	**75.2**	**61.0**	**5 185.5**	**5 077.3**
Balance sheet value = market value on 31 December	**5 132.7**	**5 110.3**	**32.4**	**75.2**	**5 165.1**	**5 185.5**
of which pledged or subject	3 956.1	3 884.5	0.0	0.0	3 956.1	3 884.5
to restricted disposability	77.1%	76.0%	0.0%	0.0%	76.6%	74.9%

The value-enhancing investments relate to the investment properties Freiburgstrasse 130, Bern (CHF 9.3 million), Richti site, Wallisellen (CHF 4.8 million), Toni site, Zurich (CHF 2.1 million), Vulkanstrasse 106, Zurich (CHF 1.3 million) and miscellaneous other investment properties (CHF 23.4 million). In total, CHF 29.2 million of the investments has an effect on liquidity.

4.2 Development properties

	Development reserves		Buildings under construction		Completed properties		Development properties	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
As at 1 January	451.0	439.4	50.5	32.3	0.0	0.0	501.5	471.7
Purchases	35.9	7.2	0.0	0.0	0.0	0.0	35.9	7.2
From construction activity/development	5.9	8.9	47.8	11.9	0.0	0.0	53.7	20.8
Earnings from sales Development	0.0	0.0	21.2	11.3	0.0	0.0	21.2	11.3
Impairment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposals/offsetting prepayments	−3.4	0.0	−108.9	−9.5	0.0	0.0	−112.3	−9.5
Reclassifications	−2.6	−4.5	80.3	4.5	0.0	0.0	77.7	0.0
As at 31 December = balance sheet value	**486.8**	**451.0**	**90.8**	**50.5**	**0.0**	**0.0**	**577.6**	**501.5**
of which pledged or subject to restricted disposability	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The additions of development reserves relate to additional prepayments for existing properties in Western Switzerland, as well as the acquisition of a new development plot at Geissacher in Zumikon.

The reclassification concerns the projects Eggen in Lucerne and Strubenacher Living in Zumikon from development reserves to buildings under construction and Baarermatte in Baar from investment properties to buildings under construction, as well as Soodmattenstrasse 8/10 in Adliswil from investment properties to development reserves. The rest of the changes are in line with the normal progress of the projects shown in the balance sheet at their various stages.

The disposal relates to the sale of the development reserve at Spiserstrasse 15 in Zurich.

In the case of buildings under construction, the CHF 108.9 million relates to prepayments that were offset for notarised units from the ongoing and completed projects in Geneva, Grand-Lancy, Lucerne, Zumikon and Zurich.

As at 31 December 2025, the composition of the balance sheet position of development properties was as follows:

Location	Properties	Acquisition/ projectstart	Site area in m²	Register of suspected contaminated sites	Book value in CHF million[2]	Estimated investment volume CHF million[1]	Project status	Expected completion
Development reserves								
Adliswil	Soodmattenstrasse 8/10	2017	10 043	no	49.5	75.0	in planning	open
Chavannes-près-Renens	Av. de la Gare 84 bis / Route de la Maladière	2021	33 111	no	126.1	341.0	in planning	open
Confignon	Route de Base / Ch. des Charrotons 25 / Ch. des Grands-Champs 23	2021	6 231	no	21.0	61.0	in planning	open
Geneva	Ch. Dr-J-L-Prévost 3	2021	1 186	no	7.7	30.0	in planning	open
Geneva	Ch. Buisson 6	2021	480	no	3.2	4.0	in planning	open
Geneva	Ch. Mestrezat 5A, 5B et 7	2021	3 762	no	22.0	40.0	in planning	open
Geneva	Av. de Joli-Mont 2 / Av. Louis-Casaï 12 / Av. de Riant-Parc	2021	2 038	no	14.5	29.0	in planning	open
Geneva	Av. Louis-Casaï 62	2023	1 932	no	2.3	23.0	in planning	open
Nyon	Route des Tattes d'Oie 83 et 91	2021	6 093	yes	10.1	42.0	in planning	open
Riehen	Inzlingerstrasse	2019	10 883	no	21.4	62.0	in planning	open
Sunikon-Steinmaur	Hohlgasse 7	2022	4 916	no	13.2	51.0	in planning	open
Veyrier	Pré des Dames	2021	15 441	no	21.0	92.0	in planning	open
Winterthur	Vitus-Areal	2023	75 000	yes	97.4	535.0	in planning	open
Zumikon	Geissacher	2025	5 500	no	35.9	85.0	in planning	open
Zurich	Badenerstrasse 501–505	2020	1 739	no	34.3	65.0	in planning	open
Zurich	Hauserstrasse	2019	1 341	no	7.2	11.0	in planning	open
Total development reserves					**486.8**	**1 546.0**		
Buildings under construction								
Baar	Baarermatte	2002	10 625	no	36.2	130.0	in progress	2028
Grand-Lancy	Av. du Curé-Baud 22	2021	1 040	no	5.4	12.0	in progress	2026
Lucerne	Eggen	2018	8 386	no	41.6	93.0	in progress	2027
Zumikon	Strubenacher	2019	4 569	no	14.3	42.0	in progress	2027
Zurich	Spiserstrasse	2018/2019	3 066	no	−6.7	74.4	in progress	2026
Total buildings under construction					**90.8**	**351.4**		
Completed properties					–	–		
Total completed properties					–	–		
Total development properties					**577.6**	**1 897.4**		

1 Land and building costs
2 Book value includes acquisition costs for the land 100% owned by Allreal, as well as accrued project costs of third parties offset against prepayments for the notarised units

Baarermatte, Baar

New build of four residential buildings with 104 condominiums and 6 studios. The project comprises covers floor space of 12,406 m² certified to the SNBS Gold standard. It is being built by the Realisation division and is scheduled for completion in 2028. As at 31 December 2025, marketing had not yet started.

Avenue du Curé-Baud, Grand-Lancy

New-build of 13 condominiums and 11 underground parking spaces. The project covers floor space (100% residential) of 1,373 m² certified to the Haut Standard Energétique standard. It is being built by the Realisation division and is scheduled for completion in 2026. As at 31 December 2025, all 13 residential units had been notarised.

Panorama Eggen, Lucerne

Construction of a new residential complex with 73 condominiums and 71 underground parking spaces. The project covers 7,849 m^2 in residential space and is certified to the Minergie-ECO standard. It is being built by the Realisation division and is scheduled for completion in 2027. As at 31 December 2025, 30 of the 73 residential units had been notarised.

Strubenacher Living, Zumikon

New-build of 19 terraced houses and 38 underground parking spaces. The project covers 3,356 m^2 in residential space and is certified to the Minergie-ECO standard. It is being built by the Realisation division and is scheduled for completion in 2027. As at 31 December 2025, 7 of the 19 residential units had been notarised.

Spiserstrasse, Zurich

Construction of a new residential complex with 57 condominiums, 6 townhouses and 35 underground parking spaces. The project covers 6406 m^2 in residential space. It is being built by the Realisation division and is scheduled for completion in the second half of 2025. As at 31 December 2025, all but one of the 63 residential units had been notarised.

4.3 Investment properties held for sale

CHF million	**31.12.2025**	31.12.2024
Investment properties held for sale	101.9	10.5
Investment properties held for sale	**101.9**	**10.5**

This item includes the properties at Avenue Industrielle 18 and Rue Daniel-Gevril 10 in Carouge, Rue Jean-Jaquet 3 and Rue du Grand-Pré 57 in Geneva, and Chemin de la Traille 21/25/35 and Route de Loëx 51 in Onex, for which the sale was notarised on 18 December 2025. Transfer of ownership took place in February 2026.

4.4 Other property, plant and equipment

	Tenant fit-out		Other		Total	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
Acquisition costs						
As at 1 January	10.2	10.2	21.3	18.5	31.5	28.7
Additions	0.2	0.0	0.0	3.2	0.2	3.2
Change in scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.0	−0.2	−0.4	−0.2	−0.4
Reclassification	0.0	0.0	−7.9	0.0	−7.9	0.0
As at 31 December	10.4	10.2	13.2	21.3	23.6	31.5
Accumulated depreciation						
As at 1 January	4.6	3.6	9.6	8.4	14.2	12.0
Additions	1.1	1.0	0.5	1.3	1.6	2.3
Disposals	0.0	0.0	0.0	−0.1	0.0	−0.1
Reclassification	0.0	0.0	−0.7	0.0	−0.7	0.0
As at 31 December	5.7	4.6	9.4	9.6	15.1	14.2
Book value as at 31 December	**4.7**	**5.6**	**3.8**	**11.7**	**8.5**	**17.3**
of which pledged or subject to restricted disposability	0.0	0.0	0.0	0.0	0.0	0.0

The tenant fit-out costs refer to the business premises at the site at Lindbergh-Allee 1, Opfikon. The leases for the other sites, with annual rents of CHF 0.4 million, have fixed terms, the longest of which runs until December 2031.

As at the balance sheet date, the book value of other property, plant and equipment includes photovoltaic installations under construction (CHF 2.6 million) and electric vehicle charging stations (CHF 0.7 million) in investment properties, as well as IT equipment (CHF 0.2 million) and vehicles used by the company and other property, plant and equipment (CHF 0.3 million). The reclassification relates to photovoltaic installations that were allocated to the relevant investment properties upon completion.

4.5 Financial assets

CHF million	**31.12.2025**	31.12.2024
Prefinancing of tenant fit-outs	93.3	90.2
Financial assets	**93.3**	**90.2**

In the Real Estate segment, Allreal provided tenants with prefinancing of costs for interior fit-outs of business and commercial premises which will be repaid in full by the tenants over the term of their leases on an annuity basis and consequently are not subject to scheduled depreciation. Final maturities for repayment of the prefinanced tenant fit-outs run until 2042, with interest rates at 1.00 to 5.55%, depending on the individual contractual arrangements. The Canton of Zurich as a counterparty accounts for the largest individual item for tenant fit-outs on the Toni site, Zurich (CHF 61.8 million) (31.12.2024: CHF 68.8 million).

As at the balance sheet date, the prefinanced tenant fit-outs break down as follows:

CHF million	**2025**	2024
Acquisition costs		
As at 1 January	91.9	93.6
Additions	17.3	12.5
Disposals	–14.1	–14.2
As at 31 December	95.1	91.9
Accumulated depreciation		
As at 1 January	1.7	1.7
Additions	0.1	0.0
Disposals	0.0	0.0
As at 31 December	1.8	1.7
Book value as at 31 December	**93.3**	**90.2**

4.6 Intangible assets

CHF million	**2025**	2024
Acquisition costs		
As at 1 January	2.3	2.1
Additions	0.2	0.2
Disposals	0.0	0.0
Reclassification	0.0	0.0
As at 31 December	2.5	2.3
Accumulated depreciation		
As at 1 January	2.1	2.0
Additions	0.1	0.1
Disposals	0.0	0.0
Reclassification	0.0	0.0
As at 31 December	2.2	2.1
Book value as at 31 December	**0.3**	**0.2**

4.7 Trade receivables

CHF million	31.12.2025	31.12.2024
Receivables Development & Realisation segment	5.2	32.8
Order balances Development & Realisation segment	17.0	13.1
Advance payments for development properties	5.0	0.0
Receivables Real Estate segment	2.5	10.7
Trade receivables	**29.7**	**56.6**

Prepayments for development properties relate to advance payments made in connection with the notarisation of Köschenrüti site in Zurich Seebach.

The maturities structure for the non-value-adjusted receivables of Development & Realisation was as follows as at 31 December:

CHF million	2025	2024
Not due	0.3	29.4
Overdue by up to 30 days	4.3	2.4
Overdue by between 31 and 60 days	0.4	0.3
Overdue by between 61 and 120 days	0.0	0.0
Overdue by more than 120 days	0.2	0.7
Receivables Development & Realisation segment	**5.2**	**32.8**

The stated values of the order balances are after deduction of prepayments made for each project which as at 31 December is under construction for third parties and has not yet been billed and paid.

CHF Mio.	2025	2024
Contract costs incurred	255.4	202.8
Fee income booked	37.6	18.8
Gains and losses booked	−0.1	1.7
Services provided	292.9	223.3
Less prepayments received	−323.3	−256.5
Total project balances	**−30.4**	**−33.2**
of which with credit balance (recognised as trade receivables)	17.0	13.1
of which with debt balance (recognised as trade payables)	−47.4	−46.4

4.8 Other receivables

CHF million	31.12.2025	31.12.2024
Prepaid expenses and accrued income	12.3	8.3
Receivables arising from WIR balances	0.0	0.1
Receivables arising from value-added tax	0.4	0.1
Diverse other receivables	3.8	4.3
Other receivables	**16.5**	**12.8**

4.9 Cash

Of the cash amounting to CHF 5.4 million (31.12.2024: CHF 4.3 million), CHF 2.5 million is freely disposable in the form of current account balances and CHF 2.9 million can only be used for certain third-party construction projects of the Realisation division.

4.10 Share capital

As at the balance sheet date, the share capital of Allreal Holding AG comprises 16,592,821 registered shares with a par value of CHF 1.00 each. Each share carries one vote and confers entitlement to attend the annual general meeting if entered in the share register.

Shareholdings developed as follows:

Number of shares	Shares issued	Treasury shares	Outstanding shares
2024			
As at 1 January	16 592 821	82 549	16 510 272
Purchase of treasury shares		11	
Sale of treasury shares		–227	
Share-based remuneration		–735	
As at 31 December	**16 592 821**	**81 598**	**16 511 223**
2025			
As at 1 January	16 592 821	81 598	16 511 223
Purchase of treasury shares		–	
Sale of treasury shares		–	
Share-based remuneration		–3 279	
As at 31 December	**16 592 821**	**78 319**	**16 514 502**

The average purchase price per treasury share stands at CHF 181.24 (31.12.2024: CHF 181.24).

On 21 April 2023, the annual general meeting approved the introduction of a capital range. Within the capital band, the Board of Directors is authorised to increase the share capital one or more times and by any amount up to a maximum of CHF 18,252,103 at any time up to 21 April 2028, or the expiry of the capital band if earlier, by issuing up to 1,659,282 fully paid-up registered shares with a par value of CHF 1.00 each and/or to reduce it down to a minimum of CHF 15,763,180 by eliminating up to 829,641 fully paid-up registered shares with a par value of CHF 1.00 each. Capital reductions may be conducted by either reducing the par value of the shares or eliminating shares, or a combination of both.

The Board of Directors will propose to the Allreal Holding AG annual general meeting of 17 April 2026 a stable distribution of CHF 7.00 per share, corresponding to a maximum total amount of CHF 116.1 million. Of this amount, CHF 3.50 per share is deemed to be repayment of reserves from contribution of capital and CHF 3.50 per share is deemed to be a dividend. In 2025, CHF 115.6 million was distributed to shareholders through repayments of reserves from contribution of capital of CHF 3.50 per share and as a dividend of CHF 3.50 per share (CHF 7.00 per share).

4.11 Borrowings
Maturity of liabilities at nominal values

CHF million	< 1 year	1–3 years	3–5 years	> 5 years	Total
As at 31.12.2024					
Borrowings	655.4	484.9	794.7	767.6	2 702.7
Total in %	**24.3**	**17.9**	**29.4**	**28.4**	**100.0**
As at 31.12.2025					
Borrowings	591.4	841.6	519.3	725.0	2 677.4
Total in %	**22.1**	**31.4**	**19.4**	**27.1**	**100.0**

The financial debt consists of loans secured by mortgage (fixed advances and fixed-rate mortgages) and of bond issues. The bank loans in the form of fixed advances are extended on a revolving basis.

Bond issues with a total nominal value of CHF 1441.3 million (31.12.2024: CHF 1306.2 million) and a book value of CHF 1438.9 million (31.12.2024: CHF 1304.5 million) are recognised under borrowings. CHF 0.5 million was spent on the amortisation of the issuing costs in the reporting period.

4.12 Long-term provisions

The provisions for construction guarantees cover risks arising from current or completed projects of the Realisation division. The other provisions comprise possible outflows of funds arising from pending litigation.

Short-term provisions

	Construction guarantees		Other		Total	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
As at 1 January	0.5	0.3	1.4	1.4	1.9	1.7
Allocation	1.1	0.9	0.0	0.0	1.1	0.9
Utilisation	−0.9	−0.3	0.0	0.0	−0.9	−0.3
Write-back	0.0	−0.4	0.0	0.0	0.0	−0.4
Reclassification	1.4	0.0	−1.4	0.0	0.0	0.0
As at 31 December	**2.1**	**0.5**	**0.0**	**1.4**	**2.1**	**1.9**

Long-term provisions

	Construction guarantees		Other		Total	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
As at 1 January	0.8	0.9	0.0	0.0	0.8	0.9
Allocation	0.1	0.0	0.0	0.0	0.1	0.0
Utilisation	0.0	0.0	0.0	0.0	0.0	0.0
Write-back	0.0	−0.1	0.0	0.0	0.0	−0.1
As at 31 December	**0.9**	**0.8**	**0.0**	**0.0**	**0.9**	**0.8**

4.13 Trade payables

CHF million	31.12.2025	31.12.2024
Payables Development & Realisation segment	11.2	13.7
Order balances Development & Realisation segment	47.4	46.4
Payables Real estate segment	1.5	7.0
Trade payables	**60.1**	**67.1**

4.14 Other current liabilities

CHF million	31.12.2025	31.12.2024
Accrued expenses and prepaid income	31.7	32.8
Prepayments for development properties	0.1	0.0
Accrual of staff holiday entitlements	1.0	0.8
Other liabilities	6.0	5.2
Other current liabilities	**38.8**	**38.8**

As at the balance sheet date, all holiday entitlement not yet utilised by employees is evaluated on the basis of individual rates of pay and is recognised as an accrual in the consolidated financial statements. As at 31 December 2025, accruals stood at CHF 1.0 million (31.12.2024: CHF 0.8 million).

Accrued expenses and prepaid income essentially comprise accrued interest expenses arising from financial liabilities, real estate expenses or operating expenses not yet settled and remuneration not yet paid to the Board of Directors and Group Management.

5. Additional information

5.1 Taxes

5.1.1 Tax expense

In the income statement, the tax expense for 2025 and 2024 breaks down as follows:

CHF million	2025	2024
Income taxes	−14.7	−13.2
Property gains taxes	−6.0	−5.2
Total current taxes on business activities	**−20.7**	**−18.4**
Deferred taxes on revaluation	−27.8	−32.6
Other deferred taxes	−9.8	−13.8
Total deferred taxes on business activities	**−37.6**	**−46.4**
Total tax expense	**−58.3**	**−64.8**

In the Development & Realisation segment, expenses for property gains taxes are contingent on the time of sale of development properties; in the Real Estate segment, they are contingent on sales from the portfolio. These property taxes are incurred on an irregular basis accordingly.

5.1.2 Deferred tax liabilities and assets

The deferred tax liabilities from the provision for deferred taxes reported under long-term liabilities break down as follows:

CHF million	31.12.2025	31.12.2024
From higher valuation of investment properties	276.7	258.0
From temporary valuation differences on investment properties	185.3	166.8
From temporary valuation differences on other balance sheet items	–1.6	–1.6
From recognition of bond issues	0.5	0.3
Provisions for deferred tax	**460.9**	**423.5**

The deferred tax liabilities in connection with the higher valuation of investment properties are based on a tax rate of up to 28% (2024: 39%) and assume a 20-year holding period or the effective holding period if this period exceeds 20 years.

Valuation differences on write-downs on investment properties in the Canton of Zurich and on other balance sheet positions are calculated at a rate of 18%–19% (2024: 18–19%). A tax rate of up to 21% was applied to valuation differences on write-downs on investment properties outside the Canton of Zurich (2024: up to 21%).

Deferred tax assets comprise the following positions:

CHF million	31.12.2025	31.12.2024
From tax loss carry-forwards	0.5	0.8
From temporary valuation differences on other balance shee items	0.0	0.0
Deferred tax assets	**0.5**	**0.8**

5.1.3 Reconciliation

The following table shows the reconciliation between the theoretical tax rates applicable to the Group and the effective taxes:

CHF million	2025	2024
Net profit before tax	277.6	276.2
Reference tax rate in percentage	20.0	20.0
Expected tax expense at the reference tax rate	55.5	55.2
Tax rates that differ from the reference tax rate and tax rate changes	6.6	12.7
Deferred taxes (credited)/debited for previous years	–3.8	–3.1
Effective tax expense	**58.3**	**64.8**

The reference tax rate used is the sum total of the national, cantonal and municipal income tax rates which are applied on average.

Income subject to a lower tax rate factors in that a number of the Group companies are domiciled, or an investment property is situated, at a location where the total tax burden is lower than the reference tax rate.

Income subject to a higher tax rate factors in that gains on real estate subject to property gains tax are taxed at total tax rates of up to 40%. In particular, this relates to gains taxed in connection with the invoicing of completed projects in the Development & Realisation segment or from the sale of investment properties in the

Real Estate segment. The higher tax rate is also applied when determining deferred taxes on revaluation, as well as for properties located where tax rates are higher.

5.2 Capital commitments, contingent liabilities and legal disputes

CHF million	31.12.2025	31.12.2024
Purchase commitments	228.4	22.0
Guarantees and sureties	0.0	0.0

The purchase commitments are related to contractual agreements for the acquisition of investment and development properties. The utilisation of the obligation is dependent on the fulfilment of the conditions agreed with the counterparties. CHF 204.3 million of the purchase commitments concern events after the balance sheet date (see 5.6).

As in the previous year, there are no guarantees or sureties in favour of third parties. Beyond this, in the individual financial statement, Allreal Holding AG has issued guarantees and sureties amounting to an additional CHF 49.4 million in connection with guarantees with third parties on behalf of individual subsidiaries (2024: CHF 61.2 million).

5.3 Assets pledged as security for own liabilities

CHF million	31.12.2025	31.12.2024
Investment properties	5 267.0	5 185.4
Development properties	577.6	501.5
Total assets affected	**5 844.6**	**5 686.9**
of which pledged or subject to restricted disposability	3 956.1	3 937.1
of which actually utilised (long-term borrowings)	1 185.5	1 355.7

5.4 Finance, capital and risk management

5.4.1 Management of financing and capital

Investment and financing guidelines are in place which define Allreal Group's maximum amount of external debt. The share of consolidated equity must be over 35% on the balance sheet date, net gearing must not exceed 150%, the interest coverage ratio must not fall below 2.0 and the investment and development properties' balance sheet positions may only be refinanced with a maximum of 70% interest-bearing borrowings.

The Audit and Risk Committee regularly reviews the capital structure and monitors in particular compliance with the limits set out in the investment and financing guidelines. Capital management encompasses both equity capital and interest-bearing borrowings (net financial debt).

The contractual terms agreed with lenders regarding minimum capitalisation (financial covenants) are identical to those laid down by the investment and financing guidelines. During the reporting period, they were complied with without exception and are as follows as at the balance sheet date:

Equity ratio

(equity as a percentage of total assets)

CHF million	31.12.2025	31.12.2024
Equity	2 745.3	2 641.0
Total assets	5 998.8	5 880.3
Equity ratio	**45.8%**	**44.9%**

Net gearing

(net financial debt as a percentage of consolidated equity)

CHF million	31.12.2025	31.12.2024
Borrowings	2 675.0	2 699.7
Cash	−5.4	−4.3
Net financial debt	**2 669.6**	**2 695.4**
Equity	**2 745.3**	**2 641.0**
Net gearing	**97.2%**	**102.1%**

Interest coverage ratio

(EBITDA excl. revaluation gains divided by net financial expense)

CHF million	31.12.2025	31.12.2024
EBITDA excl. revaluation gains	185.5	192.3
Net financial expense	31.2	35.0
Interest coverage ratio	**6.0**	**5.5**

Refinancing of properties

(Borrowings as a percentage of the book value of investment and development properties)

CHF million	31.12.2025	31.12.2024
Long-term borrowings	**2 675.0**	**2 699.7**
Investment properties	5 267.0	5 185.4
Development properties	577.6	501.5
Total properties	**5 844.6**	**5 686.9**
Refinancing of properties	**45.8%**	**47.5%**

If the financial covenants are not complied with, the lenders are in some cases contractually entitled to raise the margins for financing, introduce amortisation obligations or demand full repayment of loans.

5.4.2 Financial risk management

Allreal Group is exposed to various financial risks stemming from the market, changes in interest rates, receivables, refinancing and liquidity. Risk management is conducted in compliance with the investment and financing guidelines.

Interest rate risks

As at 31 December 2025, fixed advances amounting to CHF 365.1 million (13.7% of all financial liabilities) are in place.

The average interest rate of all financial liabilities as at 31 December 2025 is 1.13% (31.12.2024: 1.25%).

The average interest lock-in period for all financial liabilities as at 31 December 2025 is 39 months (31.12.2024: 40 months).

For the purposes of a sensitivity analysis, it was assumed that all balance sheet positions as at 31 December were in place on the same scale for a whole year and that the interest rate level changes by one percentage point at the beginning of the period. This would mean that net profit before tax would rise by CHF 3.7 million if interest rates fell by 1%, and fall by the same amount if interest rates rose by 1% (2024: CHF 4.4 million / CHF –4.4 million).

Credit risks

At CHF 1.8 million, the maximum default risk relating to cash is lower than the book value of CHF 5.4 million, since waiver of the right to offset credit balance against liabilities was contractually excluded with a number of lending banks.

On the balance sheet date, long-term borrowings (excluding bond issues) existed at nominal values towards the following Swiss counterparties:

Counterparty		**2025**		2024
CHF million	**Amount**	**Share in %**	Amount	Share in %
Swiss cantonal banks	713.5	57.7	844.2	60.4
Swiss big banks	182.0	14.7	267.5	19.2
Other Swiss banks	115.6	9.4	79.7	5.7
Swiss insurance companies	127.0	10.3	127.0	9.1
Swiss pension funds	98.0	7.9	78.0	5.6
Total	**1 236.1**	**100.0**	**1 396.4**	**100.0**

The guarantees and sureties issued in favour of banks in connection with financing transactions are not likely to give rise to any additional charges greater than the recognised long-term borrowings from lenders.

Refinancing and liquidity risk

Under the financial covenants, Allreal has the option of taking out around CHF 1.4 billion in new borrowings before new equity is required. There are unutilised immediately callable credit limits in an amount of CHF 522 million granted by banks; these were not used as at the balance sheet date.

5.4.3 Market valuation of financial assets and liabilities

Financial assets and borrowings are recognised at amortised costs using the amortised cost method.

With the exception of the borrowings shown below, it can be assumed that the book values of the financial assets and the other financial liabilities correspond to market values.

CHF million	Effective interest	Issue amount	Nominal value	**Book value as at 31.12.2025**	**Fair value as at 31.12.2025**	Book value as at 31.12.2024	Fair value as at 31.12.2024
0.6% bond issue 2019–15.07.2030	0.66%	250.0	242.6	242.0	238.6	241.8	237.7
0.4% bond issue 2019–26.09.2029	0.43%	200.0	181.7	181.5	178.4	181.4	177.2
0.7% bond issue 2020–22.09.2028	0.73%	175.0	175.0	174.8	174.3	174.8	174.0
0.875% bond issue 2017–30.03.2027	0.86%	160.0	158.6	158.6	158.9	158.7	159.3
0.75% bond issue 2017–19.06.2026	0.76%	150.0	148.3	148.3	148.6	148.3	148.5
1.375% bond issue 2015–31.03.2025	1.32%	100.0	100.0	–	–	100.0	100.1
1.04% bond issue 2025–27.10.2031	1.10%	110.0	110.0	109.7	109.3	–	–
1.375% bond issue 2025–29.04.2032	1.43%	125.0	125.0	124.5	125.9	–	–
2.1% bond issue 2024–04.04.2031	2.13%	150.0	150.0	149.8	157.6	149.8	158.4
3.0% bond issue 2023–19.04.2028	3.05%	150.0	150.0	149.8	157.7	149.7	160.5
Fixed-rate mortgages	–	–	871.0	871.0	876.3	951.0	964.5

The market values of the fixed-rate mortgages are determined using the CHF interest rates current as at 31 December 2025 for the respective terms plus a credit margin of 0.50% (2024: 0.50%).

5.5 Transactions with related parties

The Board of Directors, Group Management and the Allreal pension fund are deemed to be related parties. The remuneration of the Board of Directors and Group Management, as well as their indirect investment in Allreal Holding AG, can be found in the compensation report.

In the reporting period and in the previous year, no loans, credits or sureties were granted to members of the Board of Directors and Group Management or parties related to them, nor to former members of these bodies.

MLL Legal AG is a tenant of office space in the commercial properties at Schiffbaustrasse 2 and Hardstrasse 319 (Escher-Wyss site) in Zurich on market terms. The annual rent is CHF 1.61 million, which is usual for the market.

Allreal signed a total contractor agreement with WBZ Immobilien AG in the reporting year concerning the planning and realisation of three blocks in Brüttisellen on market terms. The shares of WBZ Immobilien AG are fully owned by PMT Swiss Real Estate Limited Qualified Investor Fund. PCS Holding AG, whose Chair is Peter Spuhler and in which Andrea Sieber is a member of the Board of Directors, owns around 82% of the shares (no voting rights) of PMT Swiss Real Estate Limited Qualified Investor Fund. Neither Peter Spuhler nor Andrea Sieber were involved or included in the negotiations and decisions for Allreal. In addition, the contract for the civil engineering work in this project was awarded to Barizzi AG, whose owner and Chair of the Board of Directors is Daniela Spuhler-Hofmann, wife of Peter Spuhler. This contract was awarded by Allreal at market prices and without the involvement or inclusion of either Peter Spuhler or Andrea Sieber. In the reporting period, income from Realisation connected to this project amounted to CHF 17.9 million.

At Spiserstrasse in Zurich Albisrieden, Allreal realised a project with 63 condominiums. Stefan Dambacher purchased one of these apartments from Allreal for CHF 1.8 million, in line with the arm's length principle.

There are no other business relationships between Allreal and members of the Board of Directors.

5.6 Events after the balance sheet date

The following events were recorded in the period from 31 December 2025 to 20 February 2026:

On 5 January 2026, a 2,600 m^2 plot with attractive development potential in Zumikon was acquired through a transfer of ownership. In addition, another development plot in Zurich Seebach spanning 7,800 m^2 will be transferred in February 2026. Furthermore, a commercial property on Rue du Gran-Pré in Geneva was acquired, with ownership being transferred on 13 February 2026. The total purchase price for these transactions was CHF 185 million.

In Geneva, various residential properties were sold to private investors. Transfer of ownership took place in February 2026. The relevant balance sheet value of the residential properties amounts to CHF 101.9 million.

In addition, no further events took place which would require any adjustments to the book values of the assets and liabilities or which would need to be disclosed here.

Information on the real estate portfolio

In terms of individual regions and property types, the breakdown of acquisition costs and market values of the investment properties as at 31 December was as follows:

	Acquisition costs		Market value		Change in market value[1]	
CHF million	**2025**	2024	**2025**	2024	**2025**	2024
City of Zurich	295.0	294.4	590.8	559.4	30.8	47.6
Rest of Canton Zurich	372.1	368.2	750.3	710.1	36.3	59.3
Lake Geneva	480.1	445.6	429.2	381.5	10.9	–33.9
Other regions	4.2	4.2	3.0	3.3	–0.4	–0.6
Residential properties	**1 151.4**	**1 112.4**	**1 773.3**	**1 654.3**	**77.6**	**72.4**
City of Zurich	1 715.4	1 707.5	2 194.1	2 133.3	53.6	79.8
Rest of Canton Zurich	964.2	1 040.3	897.6	955.9	–10.8	–30.2
Lake Geneva	304.4	303.7	223.0	224.2	–1.8	6.2
Other regions	234.6	168.5	146.6	142.5	–1.8	–7.8
Commercial properties	**3 218.6**	**3 220.0**	**3 461.3**	**3 455.9**	**39.2**	**48.0**
City of Zurich	21.4	14.7	29.7	16.2	6.8	1.8
Rest of Canton Zurich	0.0	0.0	0.0	0.0	0.0	0.0
Lake Geneva	0.0	21.6	0.0	24.9	0.9	–1.8
Other regions	2.3	121.6	2.7	34.1	0.5	0.9
Investment properties under construction	**23.7**	**157.9**	**32.4**	**75.2**	**8.2**	**0.9**

1 From revaluation in comparison with previous year

Costs incurred in connection with the acquisition (purchase price, notary's fees, property transaction costs, commission payments) are recognised under acquisition costs, as are the actual production costs of the additions from construction activity and value-enhancing investments and total renewals.

The revaluation of the investment properties is based on the valuation conducted on 31 December by the external valuation expert using the discounted cash flow method (see pages 197 to 202 of the Annual Report).

The valuation process involves the external valuation expert inspecting each property at least once every three years, as well as after additional acquisitions or on completion of major alterations. The valuation expert calculates the payment flows on the basis of the rent rolls provided by Allreal (cut-off date 1 January of the following year), all commercial leases, detailed budgets and medium-term planning per property, as well as planned and executed investment projects. From these parameters, the valuation expert infers his view of the contractual market rents achievable on a sustainable basis and the future real estate expenses. The results of the valuation are discussed with Group Management, which assesses their plausibility.

As in the previous year, Wüest Partner AG acts as the external valuation expert on a contract basis. There are no further business connections or investments between Allreal and the external valuation expert.

The valuation of the investment properties as at 31 December 2025 was based on the following rent bandwidths for the various regions and types of properties:

	Residential properties				Commercial properties			
	Contractual rents		Market rents		Contractual rents		Market rents	
CHF per m² and year	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
City of Zurich	160	670	270	745	110	760	120	665
Rest of Canton Zurich	70	380	170	370	100	400	120	310
Lake Geneva	130	700	275	830	245	480	250	415
Other regions	180	310	220	320	185	335	174	320
All regions	**70**	**700**	**170**	**830**	**100**	**760**	**120**	**665**

A 5% increase or reduction in the market rents (serving as a basis of the valuations) of all investment properties would result in an increase or reduction in value of CHF 390.9 million (2024: CHF 294.9 million).

On the basis of a sensitivity analysis of investment properties with a market value of CHF 5267.0 million on the balance sheet date (31.12.2024: CHF 5185.5 million), an isolated change in discount and capitalisation rates by 30 basis points would lead to an increase or decrease in value of CHF 641.0 million or CHF 513.2 million, respectively (31.12.2024: CHF 604.5 million/CHF 488.7 million). The bandwidths for the capitalisation and discount rates used in the sensitivity analysis range between 1.80% and 2.35% in the case of residential properties and between 2.80% and 2.95% in the case of commercial properties for lower interest rates, and between 2.20% and 2.50% in the case of residential properties and between 4.30% and 5.10% in the case of commercial properties for higher interest rates.

Leasehold properties

Location	Address	Length of agreement	Ground rent p. a. CHF million
Zürich	Kreuzstrasse 5	20 October 2086	–
Bern	Freiburgstrasse 130[1]	31 December 2052	1.1
Bern	Freiburgstrasse 130[1]	31 December 2064	0.2

1 indexed

Future ground rents, regardless of indexing, will fall due as follows:

CHF million	2025	2024
Ground rents up to 1 year	1.3	1.3
Ground rents from 2–5 years	5.2	5.2
Ground rents after 5 years	31.1	32.4
Total future ground rents	**37.6**	**38.9**

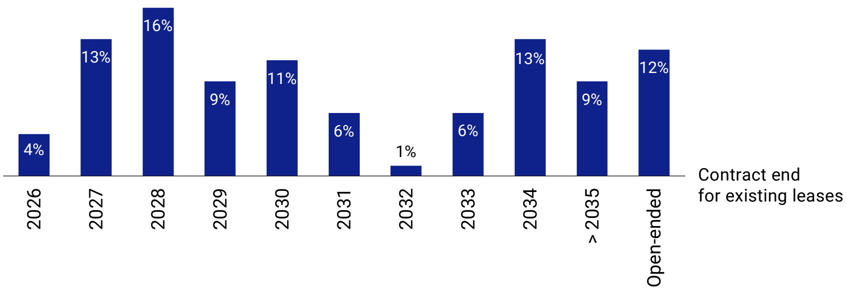
Largest tenants, commercial properties

Share in total rental income from commercial properties:

CHF million	2025	2024
Canton of Zurich	16%	15%
Allianz Suisse Insurance Company Ltd	6%	6%
Everllence Schweiz AG	5%	5%
Generali Switzerland	5%	4%
La Prairie Group AG	3%	3%
Total	**35%**	**33%**

The five largest tenants' share of total rental income from all investment properties (residential and commercial) in 2025 amounts to around 25% (Canton of Zurich 12%, Allianz Suisse Insurance Company Ltd 4%, Everllence 4%, Generali Switzerland 3% and La Prairie Group 2%).

Maturity profile of commercial property leases
as a percentage of outstanding rental income (CHF million – rounded)



The weighted remaining term of fixed-term leases for commercial properties is 5.0 years (31.12.2024: 5.1 years) and takes into account the earliest possible date that the tenant can terminate their contract.

Future income from fixed-term contracts

As a result of fixed-term rental contracts on investment properties, the following nominal rental income will accrue in future:

CHF million	2025	2024
Residential properties		
Rental income up to 1 year	4.7	3.0
Rental income from 2–5 years	7.5	9.2
Rental income after 5 years	1.0	2.1
Total future rental income from fixed-term contracts	**13.2**	**14.3**
Commercial properties		
Rental income up to 1 year	136.2	127.0
Rental income from 2–5 years	397.8	395.3
Rental income after 5 years	193.1	246.8
Total future rental income from fixed-term contracts	**727.1**	**769.1**
Total future rental income from fixed-term contracts investment properties	**740.3**	**783.4**

95.1% of all rental income for commercial space is indexed, i.e. rents are adjusted for inflation in accordance with the Swiss Consumer Price Index (CPI) (2024: 95.6%).

75.8% of rental contracts for residential space are for an unlimited term (2024: 77.4%). The weighted remaining term of fixed-term rental contracts for residential property is 3.0 years (31.12.2024: 3.3 years). Rental prices are based, among other factors, on the development of the mortgage reference rate calculated quarterly by the Swiss National Bank and last published on 1 September 2025, when it was cut to 1.25%.

As at 31 December 2025, 71.6% of all rental contracts contained index clauses, corresponding to a target rental income of CHF 149.3 million (2024: 71.4%, CHF 150.7 million).

Investment properties under construction as at 31 December 2025

Location	Property	Acquisition/ project start	Area of property in m²	Register of suspected contami-nated sites	Market value CHF million[1]	Estimated investment volume CHF million[2]	Target rental income on completion p.a. CHF million	Expected completion
Baar	Baarermatte	2025	7337	no	2.7	40.8	2.1	2028
Zurich	Renggerstrasse 3	2023	1389	no	29.7	25.7	0.8	2026
Total investment properties under construction					**32.4**	**66.5**	**2.9**	

1 As per valuation on 31.12.2025
2 Building and land costs

Baarermatte, Baar

New build of the commercial property with a mobility tower in a pioneering sustainability concept certified to the SNBS Gold standard. The amount of space available for rent totals more than 6,000 m^2. The project is being executed by the Realisation division and, upon completion in the second half of 2028, will be reported in the portfolio of investment properties. For the market valuation as at the balance sheet date, nominal discount and capitalisation rates of 4.33% and 3.30%, respectively, were applied.

The investment property under construction is 100% solely owned by Allreal.

Renggerstrasse 3, Zurich

Conversion of a commercial building into an apartment building consisting of 21 apartments, covering 1,591 m^2 of rentable space in total. The project is being executed by the Realisation division and, upon completion in the first half of 2026, will be reported in the portfolio of investment properties. For the market valuation as at the balance sheet date, nominal discount and capitalisation rates of 3.22% and 2.20% were applied (31.12.2024: 3.53%/2.25%).

The investment property under construction is 100% solely owned by Allreal.

Residential properties as at 31 December 2025

Location	Address	Ownership status[1]	Year acquired	Year of construction	Renovation[2]	Area of property in m²	Register of suspected contaminated sites	Sustainability label
City of Zurich								
Zurich	Grünhof-Areal[5]	SO	2002	1925	2019/2020 PR 2019–2021 TR	7 870	yes	Minergie[7]
Zurich	Hardturmstrasse 5	LO	2004	2014		2 651	no	Minergie
Zurich	Heerenwiesen 23–41 / Winterthurerstrasse 563 / Schürgistrasse 18/20	SO	2003	1996		11 616	no	
Zurich	Josefstrasse 137	SO	1999	1984		903	no	
Zurich	Neunbrunnenstrasse 47–53	SO	1993	2013		4 291	yes	Minergie
Zurich	Schiffbaustrasse 7	SO	2010	2016		1 610	no	Minergie
Zurich	Zollikerstrasse 185–187	SO	2008	1984	2017 PR	1 445	no	
Total City of Zurich						**30 386**		
Rest of Canton of Zurich								
Adliswil	Moosstrasse 1–13 / Grütstrasse 33–39	SO	2005	2011		13 901	no	Minergie
Bülach	Hohfuristrasse 7–11 / Unterweg 55–59 / Im Stumpen 2	SO	1999	1979	2013 TR	8 412	no	
Bülach	Fangletenstrasse 4–18	SO	2018	2018		11 018	no	Minergie-Eco
Fällanden	Unterdorfstrasse 2/4 / Unterdorfwäg 2–22	SO	2003	2008	2019–2022 PR	23 691	no	
Glattbrugg	Hohenstieglen 1–23, 2–16	SO	1999	1990	2017 PR	29 639	no	
Kloten	Schaffhauserstrasse 117/119	SO	2001	1992		3 643	no	
Schlieren	Limmataustrasse 2–8 / Limmatstrasse 9–11 / Engstringermatte	SO	1999	1984	2018 TR	8 907	no	
Schlieren	Schulstrasse 71–77 / Flöhrebenstrasse 6	LO	2002	1988		2 691	no	
Volketswil	Sunnebüelstrasse 1–17 / Ifangstrasse 12–20 / Neufund 1/3	SO	1999	1968	2002/2003 TR	20 110	no	
Wallisellen	Escherweg 2–6 / Favreweg 1–5 / Richtiarkade 13–15 / Richtiring 14–16 (Richti-Areal)	SO	2002	2014		8 242	no	Minergie
Total rest of Canton of Zurich						**130 254**		

1 SO = sole ownership; LO = leasehold owned 100% by Allreal
2 TR = total renovation; PR = partial renovation
3 Cumulative vacancy rate as a percentage of target rental income for 2025
4 As per valuation on 31 December 2025 (nominal rates)
5 Leasehold owned 100% by Allreal
6 The Grünhof site includes Ankerstrasse 23 and 27; Badenerstrasse 119, 123, 125 and 131; Feldgüetliweg 2; Grüngasse 31–43; and Köchlistrasse 14 and 20.
7 Only some parts of the Grünhof site have a Minergie certificate.

Area of property in m²	1–1½-room apartments	2–2½-room apartments	3–3½-room apartments	4–4½-room apartments	≥ 5-room apartments	Total apartments	Other uses in m²	Target rental income in CHF million for 2025	Vacancy rate in %[3]	Discount/ capitalisation rate in %[4]
11 555	6	36	52	36	3	133	2 761	6.0	1.1	3.24/2.22
6 095	–	17	27	6	1	51	14	2.8	1.9	3.22/2.20
7 782	8	12	25	29	6	80	2 846	2.6	0.9	3.53/2.50
2 763	4	36	–	–	–	40	212	0.9	2.4	3.27/2.25
4 640	–	–	14	21	5	40	–	1.6	0.1	3.22/2.20
2 333	–	3	16	3	1	23	1 018	1.4	1.8	3.37/2.35
1 656	2	2	4	4	2	14	100	0.7	1.1	3.22/2.20
36 824	**20**	**106**	**138**	**99**	**18**	**381**	**6 951**	**16.0**	**1.2**	
13 381	–	28	62	38	10	138	285	4.0	0.1	3.42/2.40
3 850	–	8	17	18	6	49	101	1.0	0.8	3.47/2.45
7 253	–	14	25	31	6	76	–	2.1	0.1	3.32/2.30
14 903	–	20	41	56	22	139	2 882	4.4	0.3	3.53/2.50
14 236	18	30	71	41	–	160	734	3.3	0.8	3.53/2.50
2 091	–	4	–	10	4	18	201	0.6	1.1	3.53/2.50
5 100	–	18	24	12	–	54	286	1.2	0.2	3.47/2.24
3 332	–	–	24	16	–	40	294	0.8	1.0	3.53/2.50
12 236	–	–	48	62	38	148	136	2.7	0.0	3.78/2.75
12 659	1	18	75	22	2	118	1 201	4.2	0.3	3.42/2.40
89 041	**19**	**140**	**387**	**306**	**88**	**940**	**6 120**	**24.3**	**0.3**	

Residential properties as at 31 December 2025

Location	Address	Ownership status[1]	Year acquired	Year of construction	Renovation[2]	Area of property in m^2	Register of suspected contaminated sites	Sustainability label
Lake Geneva								
Bernex	Rue de Bernex 315-327	SO	2021	1964	2019 PR	5 713	no	
Carouge	Avenue Industrielle 18	SO	2021	1915	2020 PR	462	no	
Genf	Avenue de l’Amandolier 21	SO	2021	2025		1 664	no	HPE
Genf	Rue Edouard-Rod 10	SO	2021	2025		248	no	HPE
Carouge	Rue Daniel-Gevril 10 / Rue Saint-Nicolas-le-Vieux 9–11	SO	2021	1965	2013 PR	1 364	no	
Geneva	Rue Jean-Jaquet 3	SO	2021	1936	2015 PR	252	no	
Geneva	Rue de Zurich 1	SO	2021	1936	2018 TR	203	no	
Geneva	Rue de Zurich 3	SO	2021	1910	2021 PR	282	no	
Geneva	Rue de Zurich 3A/5/7	SO	2021	1952	2020 PR	1 154	no	
Geneva	Rue du Grand-Pré 57	SO	2021	1960	2020 PR	457	no	
Geneva	Rue de Vermont 32–40	SO	2021	1960	2020 PR	3 526	no	
Geneva	Rue Gustave-Muller-Brun 3	SO	2021	1937	2014 TR	375	no	
Geneva	Route de Frontenex 51	SO	2021	1970	2022 PR	639	no	
Gland	Chemin du Molard 10 / Allée Leotherius 2 / Allée Louis Cristin 1	SO	2011	2014		1 173	no	Minergie-Eco
Grand-Lancy	Chemin des Semailles 19	SO	2021	2021		225	no	Minergie
Meyrin	Chemin de-Joinville 32–34[5]	SO	2021	2021		2 191	no	
Onex	Chemin de la Traille 21/25/35[6]	SO	2021	1961	2021 PR	842	no	
Onex	Route de Loëx 51	SO	2021	1961	2015 TR	367	no	
Petit-Lancy	Avenue du Cimetière	SO	2023	2023		280	no	
Petit-Lancy	Chemin des Pâquerettes 20	SO	2021	2017		446	no	
Total Lake Geneva						**21 863**		
Other regions								
Basel	Efringerstrasse 15	SO	2021	1905	1990 TR	222	no	
Total other regions						**222**		
Total residential real estate						**182 725**		

1 SO = sole ownership
2 TR = total renovation; PR = partial renovation
3 Cumulative vacancy rate as a percentage of target rental income for 2025
4 As per valuation on 31 December 2025 (nominal rates)
5 Two properties
6 Three properties

Area of property in m²	1–1½-room apartments	2–2½-room apartments	3–3½-room apartments	4–4½-room apartments	≥ 5-room apartments	Total apartments	Other uses in m²	Target rental income in CHF million for 2025	Vacancy rate in %[3]	Discount/capitalisation rate in %[4]
2 101	1	3	12	12	4	32	958	1.1	0.7	3.83/2.80
1 005	–	20	1	2	1	24	–	0.5	0.7	3.68/2.65
1 107	–	2	2	8	4	16	184	0.1	0.0	3.53/2.50
1 231	–	–	–	16	–	16	115	0.1	0.0	3.47/2.45
3 252	3	2	16	22	10	53	750	1.4	0.3	3.68/2.65
635	1	8	2	3	–	14	201	0.4	0.7	3.63/2.60
849	1	6	11	–	–	18	147	0.3	0.0	3.63/2.60
858	–	7	7	3	–	17	–	0.4	0.0	3.63/2.60
2 609	2	25	21	1	7	56	1	1.2	2.0	3.63/2.60
1 167	–	–	19	–	–	19	98	0.3	1.6	3.58/2.55
5 399	6	26	44	16	4	96	51	1.5	3.1	3.58/2.55
1 890	–	7	12	5	2	26	245	0.8	2.0	3.63/2.60
2 877	7	2	16	10	9	44	591	1.1	0.6	3.58/2.55
4 928	1	21	29	9	5	65	–	1.6	0.3	3.73/2.70
654	–	–	1	9	–	10	–	0.2	0.0	3.53/2.50
2 399	–	–	11	11	13	35	337	0.9	0.0	3.53/2.50
1 977	1	3	3	8	12	27	66	0.6	1.5	3.78/2.75
1 068	–	5	–	8	3	16	–	0.3	0.0	3.78/2.75
1 066	–	–	5	11	1	17	–	0.4	0.9	3.53/2.50
1 203	–	–	6	1	8	15	3	0.3	0.0	3.58/2.55
38 275	**23**	**137**	**218**	**155**	**83**	**616**	**3 747**	**13.5**	**1.0**	
531	2	10	–	–	–	12	–	0.1	1.4	3.68/2.65
531	**2**	**10**	**0**	**0**	**0**	**12**	**0**	**0.1**	**1.4**	
164 671	**64**	**393**	**743**	**560**	**189**	**1 949**	**16 818**	**53.9**	**0.8**	

Commercial properties as at 31 December 2025

Location	Address	Ownership status[1]	Year acquired	Year of construction	Renovations[2]	Area of property in m²
City of Zurich						
Zurich	Bändliweg 21	SO	2005	1995	2019 PR	9 254
Zurich	Bellerivestrasse 30	SO	2004	1986	2017 TR	2 316
Zurich	Bellerivestrasse 36	SO	2004	1974	2023 TR	10 494
Zurich	Binzmühlestrasse 95–99 / Therese-Giehse-Strasse 1	SO	2005	2001	2019 PR	11 712
Zurich	Birmensdorferstrasse 108 / Weststrasse 75	SO	2000	1983	2007/2008 TR	1 254
Zurich	Brandschenkestrasse 38/40	SO	2001	1992	2013 PR	1 402
Zurich	Förrlibuckstrasse 109 (Toni-Areal)	SO	2007	1977/2014		24 477
Zurich	Hardstrasse 299/301	SO	2002	2020		1 988
Zurich	Hardstrasse 319 (Escher-Wyss-Areal)	SO	2002	1945/2010	2019/2021 PR	38 362
Zurich	Herostrasse 12	SO	2002	2014		4 027
Zurich	Hohlstrasse 600	SO	2001	1986	2006/2012 TR	2 894
Zurich	Kalchbühlstrasse 22/24	SO	2000	1976	2024–2025 TR 2014/2015 TR	3 101
Zurich	Kreuzstrasse 5	LO	2004	2006		2 279
Zurich	Schiffbaustrasse 2	SO	2002	2017		7 610
Zurich	Vulkanstrasse 106	SO	2002	2005		12 295
Zurich	Weststrasse 74	SO	1996	1995		1 482
Zurich	Zollikerstrasse 183	SO	2008	1984	2007/ 2024–2025 PR	3 371
Zurich	Zollstrasse / Josefstrasse 23–29 / Klingenstrasse 4	SO	1993/2006	1997	2021 PR	4 201
Total City of Zurich						**142 519**

1 SO = sole ownership; LO = leasehold owned 100% by Allreal
2 TR = total renovation; PR = partial renovation
3 Cumulative vacancy rate as a percentage of target rental income for 2025
4 As per valuation on 31 December 2025 (nominal rates)

Register of suspected contaminated sites	Sustainability label	Floor space in m²	Percentage of office space	Percentage of retail space	Percentage of residential space	Percentage of other uses	Target rental income in CHF million for 2025	Vacancy rate in %[3]	Discount/ capitalisation rate in %[4]
no		18 640	89.0	6.9	0.0	4.1	5.8	0.0	3.88/2.85
no		3 256	93.2	0.0	0.0	6.8	1.6	0.0	3.63/2.60
no	LEED Platinum, Minergie	11 922	81.7	3.7	0.0	14.7	7.3	1.0	3.42/2.40
no		25 715	10.2	40.1	33.0	16.7	7.0	0.9	3.83/2.80
no		4 853	75.9	2.9	10.4	10.7	1.5	7.6	4.03/3.00
no		4 965	44.0	0.0	25.2	30.8	1.9	2.6	4.03/3.00
no	Minergie	86 570	82.0	0.0	11.4	6.6	22.1	0.2	4.08/3.05
no	Minergie-Eco	6 090	86.7	0.8	0.0	12.5	2.5	0.1	3.83/2.80
yes		47 882	31.9	1.8	0.0	66.2	8.9	0.0	4.83/3.79
no	DGNB GiB Gold, Minergie	11 287	95.5	0.0	0.0	4.5	3.9	0.0	3.88/2.85
no		10 302	70.1	4.7	0.0	25.2	4.2	1.2	3.93/2.90
no		4 791	72.4	0.0	7.8	19.8	1.4	0.1	4.23/3.20
no		1 628	95.7	0.0	0.0	4.3	1.1	0.0	3.68/2.65
yes	Minergie	13 171	81.5	5.7	0.0	12.8	5.1	0.0	3.93/2.90
no	DGNB GiB Gold, Minergie	32 741	94.6	2.4	0.0	2.9	11.1	3.4	3.88/2.85
no		3 274	22.5	7.8	55.3	14.4	0.9	0.3	3.63/2.60
no		2 776	81.8	0.0	0.0	18.2	1.1	0.0	4.28/3.25
no		11 586	45.3	11.8	27.6	15.3	4.5	1.0	3.68/2.65
		301 449	**67.2**	**5.5**	**8.4**	**18.9**	**91.9**	**0.9**	

Commercial properties as at 31 December 2025

Location	Address	Ownership status[1]	Year acquired	Year of construction	Renovations[2]	Area of property in m²
Rest of Canton Zurich						
Adliswil	Soodmattenstrasse 2/4/6[8]	SO	2017	1989/1990	2016 PR / 2025 PR	14 791
Dübendorf	Sonnentalstrasse 8	SO	2015	1974	2006 PR	16 621
Kloten	Schaffhauserstrasse 115/121	SO	2001	1992	2021 PR	4 000
Opfikon	Boulevard Lilienthal 2–8	SO	2007	2014		5 167
Opfikon	Lindbergh-Allee 1[5]	SO	1987	2007		5 241
Schlieren	Bernstrasse 55	SO	2003	2003		6 775
Schlieren	Zürcherstrasse 104	SO	2002	1988	2012 TR	4 724
Wallisellen	Bürogebäude Allianz[6]	SO	2002	2013		13 078
Wallisellen	Bürogebäude Richtiring[7]	SO	2002	2014		16 875
Wetzikon	Binzstrasse 32	SO	2020	2009		10 368
Winterthur	Schützenstrasse 1+3 / Zürcherstrasse 12+14[9]	SO	2002	1928/53/86	2025 PR	18 386
Total rest of Canton Zurich						**116 026**
Lake Geneva						
Aïre	Chemin de la Verseuse 3	SO	2021	1986	2019 PR	4 442
Le Grand-Saconnex	Route François-Peyrot 10–14	SO	2011	2004		8 442
Nyon	Avenue Perdtemps 23	SO	2017	2006		6 451
Petit-Lancy	Chemin des Olliquettes 4	SO	2008	2010		963
Plan-les-Ouates	Route de Saint-Julien 198 (Ch. du Pré-Fleuri 15)	SO	2021	2018	2022 PR	11 271
Total Lake Geneva						**31 569**
Other regions						
Basel	Viaduktstrasse 40–44 / Binningerstrasse 35	SO	2009	1998		5 454
Bern	Freiburgstrasse 130	LO	2018	1999	2025 TR	7 323
Total other regions						**12 777**
Total commercial real estate						**302 891**

1 SO = sole ownership; LO = leasehold owned 100% by Allreal
2 TR = total renovation; PR = partial renovation
3 Cumulative vacancy rate as a percentage of target rental income for 2025
4 As per valuation on 31 December 2025 (nominal rates)
5 Lightcube office building and co-ownership rights to the TMC Galleria car park
6 Allianz office building with retail space in Konradhof and Escherhof
7 Office building with retail space and peripheral plots
8 Two properties
9 Three properties

Register of suspected contaminated sites	Sustainability label	Floor space in m^2	Percentage of office space	Percentage of retail space	Percentage of residential space	Percentage of other uses	Target rental income in CHF million for 2025	Vacancy rate in %[3]	Discount/ capitalisation rate in %[4]
no		23 995	75.9	5.2	1.0	18.0	5.3	0.0	4.43/3.40
no		26 006	25.9	1.6	0.0	72.5	2.7	0.0	4.59/3.55
no		4 265	67.7	4.0	0.0	28.3	1.0	20.5	4.54/3.50
no	Minergie	13 384	89.2	4.0	0.0	6.8	3.9	4.4	4.18/3.15
no	Minergie	13 581	87.4	4.0	0.0	8.6	3.8	0.6	4.14/3.11
no		7 871	83.3	8.5	0.0	8.2	2.2	3.3	4.69/3.65
no		3 846	26.9	29.6	0.0	43.3	0.9	1.0	4.54/3.50
no	Minergie	50 012	82.1	6.1	0.0	11.8	12.6	13.1	4.41/3.38
no	Minergie	26 173	78.2	14.0	0.0	7.8	8.0	17.0	4.33/3.30
yes		16 235	52.1	0.0	0.0	47.9	3.1	0.0	4.18/3.15
no		24 995	78.1	0.0	0.0	21.9	5.6	1.4	3.99/2.96
		210 363	**70.7**	**5.5**	**0.1**	**23.8**	**49.1**	**7.3**	
no		3 205	0.0	0.0	0.0	100.0	0.8	0.0	5.04/4.00
no		5 343	92.0	0.0	0.0	8.0	2.6	30.9	4.64/3.60
no		12 569	76.8	5.5	0.0	17.7	4.1	12.3	4.69/3.65
no	Minergie	3 668	95.0	0.0	0.0	5.0	1.7	0.0	4.38/3.35
no	Minergie	10 005	53.2	10.6	0.0	36.2	2.2	0.0	4.33/3.30
		34 790	**67.2**	**5.0**	**0.0**	**27.8**	**11.4**	**11.5**	
no		20 118	63.6	0.0	0.0	36.4	5.2	5.8	3.98/2.95
no		18 486	87.5	2.9	0.0	9.6	2.3	37.6	4.59/3.55
		38 604	**75.0**	**1.4**	**0.0**	**23.6**	**7.5**	**15.6**	
		585 206	**69.0**	**5.2**	**4.4**	**21.5**	**159.9**	**4.3**	

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To the General Meeting of
Allreal Holding AG, Opfikon

Zurich, 18 February 2026

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Allreal Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 142 to 192) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with article 17 of the Directive on Financial Reporting (DFR) of SIX Swiss Exchange as well as with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Market valuation of investment properties and investment properties under construction

Risk	The market valuation of investment properties (including Investment properties held for sale) and investment properties under construction was key for our audit because this process entails significant estimates based on assumptions and the assets measured in this way amounted to CHF 5'234.6 million and CHF 32.4 million and were significant for the Group's consolidated financial statements. As disclosed in the notes to the consolidated financial statements under Notes to the consolidated balance sheet (4.1 "Investment properties") and Basic principles (2.8 "Investment properties"), the market values were calculated by an external valuation expert using the discounted cash flow method. These estimations of market value were based on assumptions, relating in particular to rental income, discount rates, vacancies and maintenance expenses as well as development risks in the case of investment properties under construction.
Our audit response	Among other audit procedures, we assessed the objectivity, independence and competence of the external valuation expert as well as the valuation model used. We also examined on a sample basis the correctness of property-specific data (including rental income, maintenance expenses) included in the valuation. Furthermore, we assessed the underlying key assumptions of the external valuation expert by discussing these with the expert as well as management. Our audit procedures did not lead to any reservations regarding market valuation of investment properties and investment properties under construction.

Recognition of income and expenses (profit recognition according to the percentage of completion method) for realisation projects

Risk	Correct profit recognition by management for realisation projects was key for our audit because this process entails significant estimates based on assumptions and the income from realisation of CHF 160.2 million as well as direct expenses from realisation of CHF 142.9 million were significant for the Group's consolidated financial statements. As disclosed in the consolidated financial statements under Notes to the consolidated income statement (3.4 "Earnings from Development & Realisation") and significant accounting policies (2.5 "Earnings from Development & Realisation"), project estimates and profit recognition are based on assumptions relating to current cost forecasts and the contractually agreed project income, claims approved, and further claims raised. The project estimates (stage of completion and earnings forecast) determine the timing and extent of profit recognition.

Our audit response

We assessed the design of the relevant internal process for the recognition of revenue and costs. Among other audit procedures, we made inquiries of various parties involved in selected projects (including project managers, controlling, and management) and compared project-specific forecasts of anticipated costs to complete the project, including claims approved and further claims raised, with the originally planned project costs. Furthermore, we tested the allocation of the costs incurred to projects and periods by inspecting third-party invoices on a sample basis. We assessed the stage of project completion using internal project documents and assessed profit recognition according to the percentage of completion and revenue recognition using the general contracting agreement between the Company and the third party.

Our audit procedures did not lead to any reservations regarding recognition of income and expenses for realisation projects.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the statutory financial statements, the compensation report and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors’ responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse’s website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Tobias Meyer (Qualified Signature)	Silvan Rüegsegger (Qualified Signature)
Licensed audit expert (Auditor in charge)	Licensed audit expert

Wüest Partner AG, Bleicherweg 5, 8001 Zürich

Allreal Holding AG
Lindbergh-Allee 1
8152 Glattpark (Opfikon)

Zürich, 18th February 2026

Ref.
124060.2502

Report of the Independent Valuation Expert
Real Estate Valuations as of 31 December 2025

To the Executive Board of Allreal Holding AG

Commission

On behalf of Allreal Holding AG (Allreal), Wüest Partner AG (Wüest Partner) has conducted a valuation of the properties and property shares held by the Allreal Group for financial reporting purposes as of the reporting date, 31 December 2025. The valuation covers investment properties, properties under construction (IPUC), independent and perpetual rights (building rights), as well as co-ownership shares. As of the balance sheet date, the portfolio comprises 76 existing properties (including acquisitions and after disposals) and two properties under construction (assets under construction).

Valuation standards

Wüest Partner certifies that the valuations have been conducted in accordance with nationally and internationally recognized standards and guidelines, specifically in compliance with the International Valuation Standards (IVS and RICS/Red Book) as well as the Swiss Valuation Standards (SVS). Additionally, the valuations have been performed in full alignment with the requirements of the SIX Swiss Exchange.

Accounting standards

The determined property values reflect the current value (market value) as defined in Swiss GAAP FER 18, section 14.

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Regulated by RICS

Definition Market Value and Investment Value
The market value is defined as the probable price that could be achieved on the open market as of the valuation date between two independent, well-informed, and willing buyers and sellers, considering a market-appropriate marketing period. Transfer taxes, property gains taxes, and value-added taxes, as well as any other costs and commissions incurred in the event of a potential sale of the property, are not included. Furthermore, no liabilities of Allreal related to potential taxes (except for standard property taxes) or financing costs have been considered.

Valuation method
Wüest Partner valued Allreal's investment properties using the Discounted Cash Flow (DCF) method. This approach determines the market value of a property by calculating the sum of the expected future net cash flows, discounted to the valuation date. The discounting is applied individually for each property, considering its specific opportunities and risks, in a market-consistent and risk-adjusted manner.

Properties under construction were also valued at fair value using the Discounted Cash Flow (DCF) method. The project value as of the balance sheet date is derived through a three-step process:

- Valuation of the property at the time of completion, considering the current occupancy status, market conditions, and cost estimates as of the valuation date.
- Determination of the market value as of the balance sheet date, considering the projected remaining investments to be made.
- Assessment of risks and developer contributions, incorporating them as a separate cash flow within the cost structure.

Principles of valuation
All properties are known to Wüest Partner based on the inspections conducted and the documents provided. They have been thoroughly analyzed with respect to their qualities and risks, including the attractiveness and lease ability of rental units, construction type and condition, as well as micro- and macro-location factors. Currently vacant rental units have been valued considering a typical marketing period.

On the occasion of the year-end valuation carried out by Wüest Partner as of the reporting date of 31 December 2025, 12 properties were inspected. Together with the 18 inspections conducted at mid-year 2025, around one third of the properties were newly inspected in 2025.

Changes during reporting period
During the reporting period from 31 December 2024 to 31 December 2025, the following properties were acquired, sold, or reclassified from development properties to investment properties:

Acquisition:	non
Disposal:	Baar, Baarermatte (Development condominium)
	Basel, Steinenvorstadt 36
	Bülach, Marterlochstrasse 21
	Adliswil, Soodmattenstrasse 8/10: Transfer to development

Reclassification:	Baar, Baarermatte (Entwicklungsteil Büro): IPRE→ IPUC Bern, Freiburgstrasse 130: IPUC→ IPRE Genève, Avenue de L'Amandolier 21: IPUC→ IPRE Genève, Rue Edouard-Rod 10: IPUC→ IPRE

Results
As of 31 December 2025, Wüest Partner determined the market values of a total of 76 investment properties in Switzerland, including investment properties, independent and perpetual rights (building rights), and co-ownership shares, as well as two properties under construction.

The market value (current value) of the real estate portfolio valued by Wüest Partner for Allreal amounts to CHF 5,266,962,000 as of the valuation date.

Value change within the reporting period (like-for-like)[1]
As of the reporting date, 31 December 2025, the market value of the investment properties already valued as of 31 December 2024 ("like-for-like") amounts to CHF 5,155,021,000. The value change compared to 31 December 2024 (CHF 5,008,383,000) is approximately +2.93% gross (before deducting investments made during the period) and +2.48% net (after deducting investments made during the period and their value).

Independence and confidentiality
Wüest Partner performed the valuation independently and neutrally in conformity with its business policies. It was carried out solely for the purposes specified above. Wüest Partner shall accept no liability in respect of third parties.

Valuation fee
The fee of the valuer's services is independent of the valuation results. The rate is based upon the number of valuations performed and the lettable area of the properties.

Zürich, 18th February 2026
Wüest Partner AG

Matthias Weber MRICS Partner	Alexander Minor Director

[1] These figures should be understood independently of Allreal's actual financial reporting.

Appendix: Valuation assumptions and notes

Investment properties (IPRE)

The following key assumptions underpin the valuations of the investment properties:

- Current value: Tangible assets held exclusively for investment purposes must be reported in subsequent valuations at either their current value or at acquisition/production costs less depreciation. The current value is determined based on the expected income or cash flow, considering a risk-adjusted discount rate, or by applying another recognized valuation method.
- Appreciation or re-appreciation and depreciation must be recorded in the period result.
- Areas: The valuations reflect the rentable areas based on Allreal's tenant lists and verbal information provided by Allreal. Any discrepancies compared to the property plans were verified with Allreal.
- Tenant list: The tenant lists used as the basis for the valuations as of January 1, 2026, were received by Wüest Partner in November 2025.
- Calculation model: The applied DCF model follows a two-phase approach. The valuation period extends from the valuation date into perpetuity, with an implicit residual value in the eleventh period. Exceptions may apply to leasehold properties with a corresponding reversion scenario.
- Discounting: The discounting is based on a risk-adjusted interest rate, which is determined individually for each property. The rate consists of the risk-free interest rate plus the following risk components: real estate risk (immobility of capital), macro-location premium, micro-location premium depending on usage, premium for property quality and income risk, and potentially additional specific premiums.
  The discount rates for Allreal's real estate portfolio range between 2.10% and 4.80% (net, real).
- Inflation: Unless otherwise specified, the valuations assume an annual inflation rate of 1.00% for both revenues and all expenses. The discount rate is adjusted accordingly in the nominal calculation.
  The presentation of cash flow development and its discounting is carried out both in nominal and real terms.
- Indexation of lease agreements: Specific indexation clauses of existing lease agreements are considered. After contract expiration, an indexation rate of 80% (Swiss average) is assumed, with lease agreements being adjusted to market levels every three to five years, depending on usage.
- Tenant risks: The creditworthiness risks of individual tenants are not explicitly considered in the evaluation.
- Payment scheduling: The timing of individual payments for existing lease agreements follows the contractually agreed terms. After the expiration of the contracts, cash flows are structured in advance on a quarterly basis for commercial use and on a monthly basis for residential use.
- Outsourcing of ancillary costs: It is assumed that separate utility cost statements are maintained in full, ensuring that tenants' ancillary costs are properly allocated and outsourced.
- Maintenance costs: The maintenance costs (repair and upkeep expenses) for the existing properties are calculated using the building analysis tool. This tool

assesses the condition of individual building components, estimates their remaining lifespan, models periodic renewals, and derives the annual annuities for maintenance costs. The calculated values are validated against benchmarks and comparable properties collected by Wüest Partner. Repair costs are fully accounted for in the cost calculation during the first 10 years, and from year 11 onward, they are included at a rate of 60 to 80 percent (individual allocation factor). This approach reflects the assumed value-preserving investments.

– Photovoltaic systems: In contrast to the semi-annual valuations as of June 30, 2024, photovoltaic systems are now also included. In terms of cash flow, net revenues are accounted for after deducting operating and maintenance costs. On the cost side, recurring repair and replacement expenses for the renewal of the systems are additionally considered.

For the valuation of the properties, the following ranges for sustainably achievable market prices were applied:

Region	*Office CHF / m² p.a.*	*Retail CHF / m² p.a.*	*Warehousing CHF / m² p.a.*	*Parking outdoor CHF / piece p.Mt.*	*Parking indoor CHF / piece p.Mt.*	*Residential CHF / m² p.a.*
City Zürich	*120 - 665*	*160 - 600*	*40 - 200*	*50 – 280*	*10 - 340*	*270 – 746*
Rest of canton ZH	*120 - 310*	*50 - 290*	*60 - 225*	*20 – 150*	*50 - 360*	*171 – 370*
West-Switzerland	*250 - 415*	*200 - 460*	*100 – 180*	*35 – 250*	*35 - 350*	*275 - 833*
Other regions	*174 - 320*		*75 – 120*	*50 – 150*	*50 - 230*	*219 - 318*
All regions	*120 - 665*	*50 - 600*	*40 – 225*	*20 – 280*	*10 - 360*	*171 – 833*

For the valuation of the properties, the following ranges for structural vacancy rates were applied:

Region	*Office in %*	*Retail in %*	*Warehousing in %*	*Parking outdoor in %*	*Parking indoor in %*	*Residential in %*
City Zürich	*1.5 - 6.0*	*3.0 - 10.0*	*1.5 – 6.0*	*2.0 - 20.0*	*2.0 - 20.0*	*1.0 - 2.0*
Rest of canton ZH	*4.0 - 30.0*	*5.0 - 15.0*	*1.5 - 20.0*	*5.0 - 50.0*	*5.0 - 30.0*	*1.5 - 5.0*
West-Switzerland	*3.0 – 8.5*	*3.0 - 5.0*	*1.0 - 10.0*	*1.0 - 20.0*	*1.0 - 10.0*	*1.0 - 1.5*
Other regions	*3.0 – 5.0*		*3.0 - 5.0*	*3.0 - 8.0*	*3.0 - 8.0*	*1.5 - 1.5*
All regions	*1.5 - 30.0*	*3.0 - 15.0*	*1.0 - 20.0*	*1.0 - 50.0*	*1.0 - 30.0*	*1.0 - 5.0*

Properties under construction (IPUC)

Wüest Partner also determined the current values (market values) of the properties under construction. These valuations are based on the following assumptions:

- Partial plots: The properties may be subdivided into partial plots by Allreal. This subdivision is adopted by Wüest Partner in the valuations for transparency purposes.
- Project development strategy: The strategy regarding project development and promotion (e.g., sale vs. rental) is adopted from Allreal, provided that it appears plausible to Wüest Partner.
- Baseline data: The baseline data provided by Allreal is verified and, if necessary, adjusted (e.g., utilization, rentable areas, timelines/development process, leasing/absorption).
- Independent assessment: The valuations undergo an independent review of income, costs, and returns.
- General or total contractor agreements: It is assumed that construction costs are secured through general or total contractor agreements.
- Developer services: The creation costs include Allreal's services as project developer and owner's representative.
- Preliminary works: Preliminary works are considered in the construction costs if known (e.g., remediation of contaminated sites, demolitions, infrastructure).
- Incidental construction costs: The construction costs include standard incidental costs, including construction financing, but exclude land financing, which is implicitly accounted for in the DCF model.
- Previously rendered services: Previously rendered and value-relevant services by third parties or by Allreal in the form of past investments are considered if known.
- Tax optimization: For commercial properties, it is assumed that the revenues of planned commercial properties are optimized for tax purposes and the voluntary subordination under the value added tax applies. Consequently, construction costs are excluding VAT.
- Deferred taxes: The valuations do not include deferred taxes.