

# Allreal Holding AG annual accounts

## Income statement

CHF million	Note	2021	2020
Income from investments	2	35.0	35.0
Financial income	3	22.8	19.6
<b>Income</b>		<b>57.8</b>	<b>54.6</b>
Personnel expenses		-1.0	-0.7
Other expenses	4	-1.9	-1.0
<b>Expenses</b>		<b>-2.9</b>	<b>-1.7</b>
<b>Operating profit (EBIT)</b>		<b>54.8</b>	<b>52.9</b>
Financial expenses	5	-11.8	-11.0
<b>Profit before tax</b>		<b>43.0</b>	<b>41.9</b>
Tax expense		-0.9	-0.8
<b>Net profit</b>		<b>42.1</b>	<b>41.1</b>

## Balance sheet as at 31 December

Cash		1.5	0.9
Short-term accounts receivable from Group companies		9.1	5.9
Short-term accounts receivable from third parties		6.6	0.5
<b>Current assets</b>		<b>17.2</b>	<b>7.3</b>
Financial assets held in investments		1 244.3	1 384.6
Investments	6	1 382.7	896.5
<b>Non-current assets</b>		<b>2 627.0</b>	<b>2 281.1</b>
<b>Assets</b>		<b>2 644.2</b>	<b>2 288.4</b>
Short-term liabilities towards investments		1.0	0.0
Short-term liabilities towards third parties		1.0	0.9
Short-term interest-bearing liabilities	7	50.0	169.9
Accrued expenses and prepaid income		7.7	5.7
<b>Current liabilities</b>		<b>59.7</b>	<b>176.5</b>
Long-term liabilities towards investments		173.3	0.0
Long-term interest-bearing liabilities third parties	7	1 298.3	1 048.2
<b>Non-current liabilities</b>		<b>1 471.6</b>	<b>1 048.2</b>
<b>Liabilities</b>		<b>1 531.3</b>	<b>1 224.7</b>
Share capital	8	16.6	15.9
Statutory capital reserves			
Reserves from contribution of capital	9	644.3	575.9
Other capital reserves	10	7.6	7.6
Statutory retained earnings			
General statutory retained earnings		133.8	133.8
Voluntary retained earnings			
Profit carried forward		281.9	296.1
Net profit		42.1	41.1
Balance sheet profit		324.0	337.2
Treasury shares	11	-13.4	-6.7
<b>Equity</b>		<b>1 112.9</b>	<b>1 063.7</b>
<b>Equity and liabilities</b>		<b>2 644.2</b>	<b>2 288.4</b>

## Note

### 1. Basic principles and details of the methods applied to the annual accounts

Allreal Holding AG, domiciled in Baar, canton Zug, was founded on 17 May 1999. As a holding company it is not engaged in any operating activities. Its function is limited to managing and financing Allreal Group.

The Allreal Holding AG annual accounts have been prepared in accordance with the provisions of the Swiss Code of Obligations (32<sup>nd</sup> title of the Swiss Code of Obligations). They supplement the consolidated financial statements, which are prepared in accordance with the Accounting and Reporting Recommendations (Swiss GAAP FER). Whereas the consolidated financial statements provide information about the business situation of the Group as a whole, the information in the annual accounts of Allreal Holding AG relates solely to the Group's parent company.

Treasury shares are recognised at acquisition cost and deducted from shareholders' equity at the time of acquisition. In the case of a resale, the gain or loss is recognised through the income statement as financial income or financial expense.

### 2. Income from investments

CHF million	2021	2020
Allreal Generalunternehmung AG	14.0	14.0
Allreal Home AG	7.0	7.0
Allreal Vulkan AG	7.0	7.0
Allreal West AG	7.0	7.0
<b>Income from investments</b>	<b>35.0</b>	<b>35.0</b>

Dividends received from the subsidiary companies are booked to the accounts of Allreal Holding AG upon payment.

### 3. Financial income

CHF million	2021	2020
Compensation from Group companies for guarantees issued	1.4	1.1
Interest income on investments	20.3	17.5
Interest income on -0.35% private placement	0.2	0.1
Issuing premium on 0.6% bond issue 2021-2030	0.2	-
Issuing premium on 0.7% bond issue 2020-2028	-	0.3
Income in connection with treasury shares	0.7	0.1
Income in connection with own bonds	0.0	0.5
<b>Financial income</b>	<b>22.8</b>	<b>19.6</b>

### 4. Other operating expenses

Other operating expenses include the normal administrative expenses incurred by a holding company (legal advice, audit fees, insurance, fees and capital taxes). The management fees paid to Allreal Generalunternehmung AG amount to CHF 0.6 million, unchanged from the previous year.

## 5. Financial expense

CHF million	2021	2020
Interest expenses bonds	-8.1	-9.6
Issuing expenses bond issue	-1.6	-0.7
Interest expense shareholdings	-2.0	-0.6
Other financial expense	-0.1	-0.1
<b>Financial expense</b>	<b>-11.8</b>	<b>-11.0</b>

## 6. Holdings

Company	Registered office	Share capital CHF million	Shareholding' 31.12.2021	Shareholding' 31.12.2020
Allreal Finanz AG	Baar	100.50	100.0%	100.0%
Allreal Generalunternehmung AG	Opfikon	10.00	100.0%	100.0%
Allreal Home AG	Opfikon	26.52	100.0%	100.0%
Allreal Office AG	Opfikon	150.00	100.0%	100.0%
Allreal Toni AG	Opfikon	90.00	100.0%	100.0%
Allreal Vulkan AG	Opfikon	50.00	100.0%	100.0%
Allreal West AG	Opfikon	20.00	100.0%	100.0%
Apalux AG	Opfikon	0.90	100.0%	100.0%
Bülachguss AG <sup>2</sup>	Opfikon	0.10	100.0%	100.0%
Creactive Properties SA	Meyrin	0.10	100.0%	-
Elevate SA	Meyrin	0.12	100.0%	-
Immologic Sàrl	Meyrin	0.02	100.0%	-
	Chavannes-près			
Immologic Promotion Chavannes SA	Renens	0.23	100.0%	-
Immologic Promotions Sàrl	Meyrin	0.02	100.0%	-
Immologic Properties SA	Meyrin	0.10	100.0%	-
Roof SA	Meyrin	0.50	100.0%	-
Serenity OpCo Holding SA	Meyrin	0.10	100.0%	-
SI Grand-Pré 57 SA	Meyrin	0.05	100.0%	-
Société Immobilière Avenir-Levant SA	Meyrin	0.05	100.0%	-
Société Anonyme Vermont-Parc	Meyrin	0.05	100.0%	-
Trebla SA lettre A	Meyrin	0.05	100.0%	-

1 Share in equity and voting rights

2 Indirect holding

With the exception of Creactive Properties SA, Meyrin GE (which was added on 23 December 2021), the holdings acquired in the period under review were taken on by Allreal Holding AG on 15 October 2021.

## 7. Interest-bearing liabilities

CHF million	Issue amount	Issue price	Par value <sup>1</sup>	Maturity in years
0.6% bond issue 2019–15.07.2030 <sup>2</sup>	250.0	100.131%	250.0	9
0.4% bond issue 2019–26.09.2029	200.0	100.098%	192.6	10
0.7% bond issue 2020–22.09.2028	175.0	100.176%	175.0	7.997
0.875% bond issue 2017–30.03.2027	160.0	100.550%	158.6	10
0.75% bond issue 2017–19.06.2026	150.0	100.298%	148.3	8.5
1.375% bond issue 2015–31.03.2025	100.0	100.910%	100.0	10
0.625% bond issue 2016–10.05.2024	150.0	100.000%	149.6	8
0.5% bond issue 2018–19.04.2023	125.0	100.123%	124.1	5
–0.35% private placement 2021–15.01.2022	50.0	100.000%	50.0	1

<sup>1</sup> Par value equals issue amount offset against repurchased bonds.

<sup>2</sup> On 14 December 2021, the 0.6 percent bond issued on 15 July 2021 was increased by a further CHF 80 million from CHF 170.0 million originally (issue price of 99.295%) to CHF 250 million

All bonds may be redeemed early, and the bond terms customary for such capital market instruments shall apply. Specifically, this includes an option for early redemption at any time at par, including accrued interest, provided that at least 85 percent of the original principal amount has been redeemed by Allreal. As at 31 December 2021 and for the duration of the period under review, the conditions for early redemption had not been met.

## 8. Share capital

As at the balance sheet cut-off 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. Capital was increased on 15 October 2021 by 650,000 registered shares from authorised capital, raising the share capital from CHF 15,942,821 to CHF 16,592,821.

The Board of Directors was authorised by the annual general meeting of 24 April 2020 to increase the share capital – restricting or excluding the subscription rights of shareholders as applicable – until 24 April 2022 to acquire businesses, business units, participating interests or real estate through an exchange of shares, for financing or refinancing the acquisition of businesses, business units, participating interests, real estate or new investment projects, or for the purpose of an international placement of shares worth up to CHF 1.0 million by issuing up to 1,000,000 registered shares, each with a nominal value of CHF 1.00. On 15 October 2021, the authorised capital was reduced to CHF 0.35 million as a result of 650,000 new registered shares being issued, each with a nominal value of CHF 1.00 (authorised capital, Art. 3a of the articles of association).

For the purpose of issuing convertible bonds, warrant bonds or other financial instruments, there exists – excluding the subscription rights of shareholders – conditional capital of up to CHF 1.0 million through the issue of up to 1,000,000 registered shares with a nominal value of CHF 1.00 each. Bearers of the convertible and/or warrant bonds are entitled to subscribe to the new shares (Art. 3c of the articles of association).

Further, Allreal Holding AG has conditional capital of CHF 0.2 million (200,000 registered shares at a nominal value of CHF 1.00 each) at its disposal for the purposes of issuing options to the members of the Board of Directors and management. This conditional capital had not been drawn on as at the balance sheet date (Art. 3b of the articles of association).

The Board of Directors will propose to the Allreal Holding AG annual general meeting of 8 April 2022 a 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 2021, CHF 106.7 million was distributed to shareholders through repayments of reserves from contribution of capital of CHF 3.25 per share and as a dividend of CHF 3.50 per share (CHF 6.75 per share).

## 9. Reserves from contribution of capital

CHF million	2021	2020
Premium from capital increases	771.9	652.1
Premium from conversion of convertible bonds	0.4	0.4
Transfer to other capital reserves	-7.6	-7.6
Transfer from nominal value reduction	781.7	781.7
Distribution to shareholders	-903.7	-851.9
Distribution on treasury shares	1.6	1.2
<b>Reserves from contribution of capital as at 31 December</b>	<b>644.3</b>	<b>575.9</b>

## 10. Other capital reserves

CHF million	2021	2020
Transfer from reserves from contribution of capital	7.6	7.6
<b>Other capital reserves as at 31 December</b>	<b>7.6</b>	<b>7.6</b>

## 11. Treasury shares

	Number of shares	2021 Value CHF million	Number of shares	2020 Value CHF million
Market value as at 1 January	43 045	6.7	45 708	7.1
Purchases <sup>1</sup>	1 117 426	210.0	75	0.0
Sales	-1 089 719	-204.0	-2 738	-0.5
Income on treasury shares as at 31 December		0.7		0.1
<b>Market value as at 31 December</b>	<b>70 752</b>	<b>13.4</b>	<b>43 045</b>	<b>6.7</b>

<sup>1</sup> The purchases include the 650,000 registered shares from the increase in authorised capital

The average purchase price per share stands at CHF 189.15 (31.12.2020: CHF 155.45)

## 12. Significant shareholders

As at 31 December, the following shareholders were entered in the share register of Allreal Holding AG as having a shareholding (direct and/or indirect) which exceeds a threshold of 3 percent:

CHF million	2021	2020
Credit Suisse Funds AG, Zurich	9.6%	>6%
Plan Olivier, Genève <sup>1</sup>	6.5%	-
UBS Fund Management AG (Switzerland), Basel	3.5%	<3%
Spuhler Peter, Weiningen TG	3.4%	<3%
BlackRock Inc., USA-New York	>3%	>3%
Dimensional Holdings Inc., USA-Delaware	>3%	>3%
Helvetia Gruppe, St. Gallen <sup>2</sup>	<3%	8.8%
Mobililar Gruppe, Bern <sup>3</sup>	<3%	3.3%
Basellandschaftliche Pensionskasse, Liestal	<3%	3.1%

1 Holding direct and via Immosnergies Holding Sàrl, Cointrin

2 Holding via wholly owned subsidiaries Helvetia Swiss Life Insurance Company Ltd, Basel; Helvetia Swiss Insurance Company Ltd, St. Gallen; Helvetia Insurance Pension Fund, St. Gallen; and Helvetia Insurance Supplementary Fund, St. Gallen

3 Holding via wholly owned subsidiaries Swiss Mobililar Insurance Company Ltd, Bern; Swiss Mobililar Life Insurance Company Ltd, Nyon; Protekta Legal Protection Insurance Ltd, Bern; and SC SwissCaution SA, Nyon

## 13. Investments of the Board of Directors and Group Management

The details required under Article 663c CO are presented in Note 5.5 to the annual accounts of Allreal Group ("Transactions with related parties") and in the Compensation Report.

## 14. Number of employees

As in the previous year, Allreal Holding AG did not employ any personnel.

## 15. Contingent liabilities

As at 31 December 2021, guarantees and sureties to third parties in connection with the financing of Allreal group companies amounted to CHF 339.1 million (31.12.2020: CHF 298.6 million). Under the Swiss value added tax group taxation arrangement, Allreal Holding AG is jointly and severally liable vis-à-vis the Swiss Federal Tax Authority for all value added tax obligations of the other Allreal Group companies.

### Proposal for the appropriation of net profit

The Board of Directors will propose to the annual general meeting of 8 April 2022 a distribution of a total of CHF 7.00 per share, with CHF 3.50 deemed to be a dividend and CHF 3.50 deemed to be repayment of reserves from contribution of capital.

### Appropriation of balance sheet profit

The Board of Directors will submit to the annual general meeting the following proposal regarding the appropriation of the balance sheet profit:

CHF million	2021	2020
Carried forward from previous year	281.9	296.1
Net profit	42.1	41.1
<b>Balance sheet profit as at 31 December (at the disposal of the annual general meeting)</b>	<b>324.0</b>	<b>337.2</b>
Distribution of CHF 3.50 per share	-58.1	-55.8
<b>Brought forward to new account</b>	<b>265.9</b>	<b>281.4</b>

Since the general statutory retained earnings exceed 50 percent of the share capital, there will be no further allocation.

### Appropriation of reserves from contribution of capital

CHF million	2021	2020
<b>Reserves from contribution of capital as at 31 December (at the disposal of the annual general meeting)</b>	<b>644.3</b>	<b>575.9</b>
Distribution of CHF 3.50 per share (prior year: CHF 3.25 per share)	-58.1	-51.8
<b>Brought forward to new account</b>	<b>586.2</b>	<b>524.1</b>

The treasury shares of the company do not rank for distributions.

The distribution per share for the financial year 2021 as determined by the annual general meeting will be paid out to shareholders on or after 14 April 2022 in the form of CHF 3.50 from reserves from contribution of capital (without deduction of withholding tax) and CHF 3.50 as a dividend (with deduction of withholding tax).

Baar, 28 February 2022

On behalf of the Board of Directors:  
 Ralph-Thomas Honegger  
 Chairman of the Board of Directors

To the General Meeting of  
Allreal Holding AG, Baar

Zurich, 28 February 2022

## **Report of the statutory auditor on the financial statements** (translation from our original report in German)

As statutory auditor, we have audited the financial statements of Allreal Holding AG, which comprise the balance sheet, income statement and notes (pages 121 to 127), for the year ended 31 December 2021.



### **Board of Directors' responsibility**

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.



### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### **Opinion**

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.





### **Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.



### **Report on other legal requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

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

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Tobias Meyer  
Licensed audit expert  
(Auditor in charge)

Jan Fässler  
Licensed audit expert