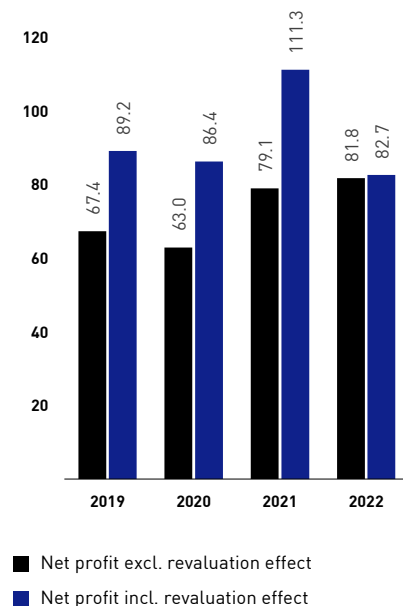


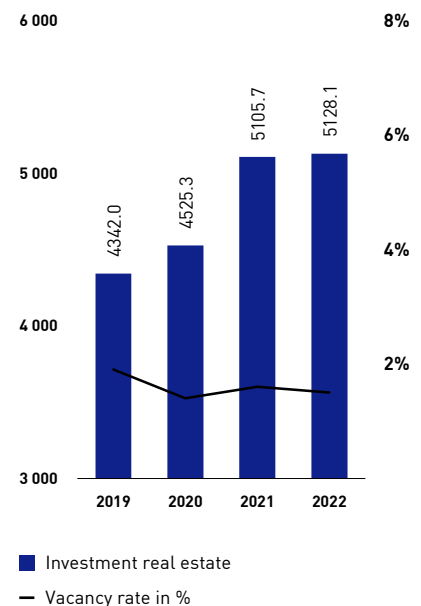
allreal

Half-year Report 2022

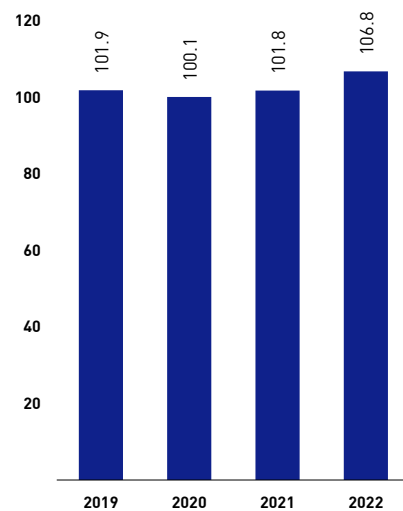
Net profit
1st half-year (CHF million)



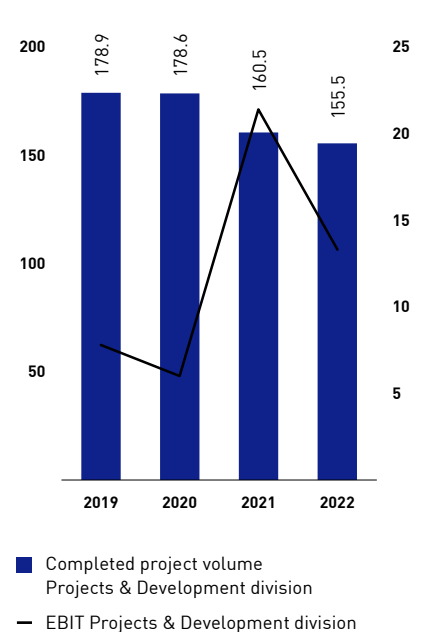
Market values and vacancy rate
As at 30 June and 31 December (CHF million)



Income from investment real estate
1st half-year (CHF million)



Completed project volume and EBIT
Projects & Development division
1st half-year (CHF million)



Key figures at a glance

| | | 1st half-year 2022 as at 30.06.2022* | 1st half-year 2021 as at 31.12.2021* | Change in % ¹ |
|--|--------------------------|---|---|-----------------------------|
| Group | | | | |
| Total sales ² | CHF million | 262.3 | 262.3 | 0.0 |
| Operating profit (EBIT) incl. revaluation gains | CHF million | 101.8 | 148.4 | -31.4 |
| Net profit incl. revaluation effect ³ | CHF million | 82.7 | 111.3 | -25.7 |
| Operating profit (EBIT) excl. revaluation gains | CHF million | 100.7 | 106.6 | -5.5 |
| Net profit excl. revaluation effect ³ | CHF million | 81.8 | 79.1 | 3.4 |
| Cash flow | CHF million | 73.9 | 94.1 | -21.5 |
| Return on equity incl. revaluation effect ³ | % | 6.5 | 9.3 | -2.8 |
| Return on equity excl. revaluation effect ³ | % | 7.8 | 8.0 | -0.2 |
| Equity ratio on cut-off date | % | 44.1 | 44.1 | 0.0 |
| Net gearing ⁴ on cut-off date | % | 107.3 | 103.7 | 3.6 |
| Average interest rate on financial liabilities on cut-off date | % | 0.63 | 0.61 | 0.02 |
| Average duration of financial liability on cut-off date | months | 41 | 44 | -3 |
| Sales Projects & Development division | CHF million | 155.5 | 160.5 | -3.1 |
| Earnings from Projects & Development division ⁵ | CHF million | 34.9 | 37.5 | -6.9 |
| Gross margin third-party projects Projects & Development division ⁶ | % | 11.2 | 11.4 | -0.2 |
| Employees on cut-off date | full-time equivalents | 242 | 243 | -1 |
| Share | | | | |
| Earnings per share incl. revaluation effect ³ | CHF | 5.01 | 7.03 | -28.7 |
| Earnings per share excl. revaluation effect ³ | CHF | 4.95 | 5.00 | -1.0 |
| Net asset value (NAV) per share before deferred tax on cut-off date | CHF | 175.10 | 177.25 | -1.2 |
| Net asset value (NAV) per share after deferred tax on cut-off date | CHF | 152.85 | 154.85 | -1.3 |
| Share price on cut-off date | CHF | 157.80 | 202.00 | -21.9 |
| Valuation on cut-off date | | | | |
| Market capitalisation ⁷ | CHF million | 2 607.5 | 3 337.5 | - 21.9 |
| Enterprise value ⁸ | CHF million | 5 317.8 | 5 989.8 | -11.2 |

* Should no further particulars be given, values referring to the income statement concern the first half-year, and balance sheet values the cut-off dates 30 June 2022 and 31 December 2021.

- 1 Changes in number and percentage values are shown as an absolute difference
- 2 Income from rental of investment real estate plus completed project volume in the Projects & Development division
- 3 Revaluation gains refer to gains from the revaluation of investment real estate less deferred taxes on revaluation
- 4 Borrowings minus cash and marketable securities as a percentage of equity
- 5 Income from realisation Projects & Development, sales Development, capitalised company-produced assets and various revenues minus direct expenses from realisation Projects & Development and sales Development
- 6 Earnings from realisation Projects & Development as a percentage of income from realisation Projects & Development
- 7 Share price at balance sheet date multiplied by the number of outstanding shares
- 8 Market capitalisation plus net finance debts

Real estate at a glance

| | | 1st half-year 2022 as at 30.06.2022* | 1st half-year 2021 as at 31.12.2021* | Change in % ¹ |
|--|--------------------------|---|---|-----------------------------|
| Yield-producing properties | | | | |
| Residential real estate on cut-off date | number | 42 | 42 | 0 |
| Commercial real estate on cut-off date | number | 45 | 45 | 0 |
| Market value on cut-off date | CHF million | 4 963.6 | 4 954.6 | 0.2 |
| Rental income from investment real estate | CHF million | 106.8 | 101.8 | 4.9 |
| Vacancy rate ² | % | 1.5 | 1.5 | 0 |
| Real estate expenses | CHF million | -10.8 | -10.0 | 8.0 |
| Real estate expenses | in % of rental income | 10.1 | 9.9 | 0.2 |
| Gross yield ³ | % | 4.3 | 4.6 | -0.3 |
| Net yield ⁴ | % | 3.9 | 4.2 | -0.3 |
| Investment real estate under construction | | | | |
| Buildings on cut-off date | number | 3 | 3 | 0 |
| Market value on cut-off date | CHF million | 164.5 | 151.1 | 8.9 |
| Investment volume | CHF million | 195.6 | 192.6 | 1.6 |
| Development real estate | | | | |
| Book value development reserves on cut-off date | CHF million | 346.9 | 417.4 | -16.9 |
| Estimated investment volume development reserves | CHF million | 993.6 | 1 072.9 | -7.4 |
| Book value buildings under construction on cut-off date | CHF million | 34.2 | 17.4 | 96.6 |
| Estimated investment volume buildings under construction | CHF million | 52.1 | 40.5 | 28.6 |
| Book value completed real estate on cut-off date | CHF million | 0.0 | 0.0 | - |

* Should no further particulars be given, values referring to the income statement concern the first half-year, and balance sheet values the cut-off dates 30 June 2022 and 31 December 2021.

1 Changes in number and percentage values are shown as an absolute difference

2 As a percentage of target rental income, cumulative as at cut-off date

3 Rental income from investment real estate as a percentage of continued market value of yield-producing properties as at 1 January

4 Rental earnings from investment real estate as a percentage of continued market value of yield-producing properties as at 1 January

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Letter to shareholders

- **Encouraging increase in net operating profit compared with previous year**
- **Very good result in Real Estate division thanks to expansion of the portfolio and low vacancy rates**
- **Stable result in the Projects & Development division, with an improved gross margin in third-party business**
- **Improved outlook for 2022 as a whole**

Allreal achieved a net operating profit of CHF 81.8 million in the first half of 2022, compared with CHF 79.1 million in the first half of 2021 – a year-on-year rise of 3.4%. Both divisions performed well overall.

However, net profit including revaluation effect fell by 25.7% year-on-year from CHF 111.3 million to CHF 82.7 million. At CHF 1.1 million before tax, revaluation effect was lacklustre, falling significantly below the previous year's level of CHF 41.8 million.

Allreal's share price was not immune to the global stock market slump in the first half of 2022 or the rises in interest rates. On the cut-off date, it closed at CHF 157.80, which represents a decline of 21.9% compared with the closing price on 31 December 2021. If the distribution of CHF 7.00 per share in April is included, a negative overall performance of 18.4% was recorded in the first half of 2022.

Real Estate division's rental income rises thanks to the portfolio expansion in Western Switzerland

Rental income in the Real Estate division increased by 4.9% to CHF 106.8 million. The reasons for the significant growth were the expansion of the portfolio of yield-producing properties in Western Switzerland, low vacancy rates and low real estate costs. At 1.5%, the cumulative vacancy rate remained at a very low level. This had a positive impact on the attractive net yield of 3.9%. Allreal had already significantly improved the maturity profile of real estate leases in the previous year. The company continued its work to extend leases early with the same intensity. The valuation of the investment real estate resulted in a net upward revaluation of CHF 1.1 million before tax. As a result of the investments made in the period under review, the portfolio value rose to CHF 5.13 billion in total as at the balance sheet cut-off date, with no acquisitions or sales being completed in the period under review.

Projects & Development division's gross margin improves considerably

Earnings from the Projects & Development division amounted to CHF 34.9 million, compared with CHF 37.5 million in the first half of 2021. As in the previous year, one-off effects resulting from the sale of development real estate contributed to the stable income of the division, albeit to a somewhat lesser extent. Business remained challenging for the Realisation department in the first half of 2022. In particular, supply shortages for various construction materials are a major challenge in respect of meeting deadlines. Nevertheless, the gross margin rose by 2.1 percentage points to 11.2% – a considerable improvement on the financial year 2021.

Implementation of initial measures contained in the sustainability strategy begins

Allreal set itself ambitious targets in the sustainability strategy it developed in the previous year. Initial measures towards achieving these targets began to be implemented in the first half of 2022. For example, the company identified a number of properties for which a broad-based expansion of solar power systems will begin in the second half of 2022. In addition, more charging stations are being installed to promote e-mobility. Allreal will equip at least 20% of garage parking spaces at yield-producing properties with electric vehicle charging stations by the end of the first half of 2024. The two initiatives comprise an investment volume of around CHF 10 million.

Improved outlook for 2022 as a whole

The first half of 2022 was shaped by rising inflation and the about-turn in interest rates performed by central banks. Despite the sharp rise in long-term interest rates, they remain at a low level by historical standards. The Swiss economy is robust and demand for Swiss real estate in central locations is undiminished.

In the Real Estate division, Allreal is expecting higher profits and a further rise in income as a result of the expansion of its portfolio. In the Projects & Development division, the company expects business to proceed as forecasted. The strategy of combining the two divisions is paying off and securing potential for growth in the future.

For the financial year 2022, Allreal now expects net operating profit of at least CHF 135 million.

Given the geopolitical changes and their impact on the economy, the first half of 2022 was a challenge for everyone. Allreal's Board of Directors and Group Management would like to thank employees for their tireless commitment, without which much of the company's success would not have been possible. Thanks also to our shareholders for the trust they have placed in us in such uncertain times.

Report on the first half of 2022

Real Estate division increases earnings considerably

The Real Estate division performed well in the first half of 2022. Rental income increased by 4.9% to CHF 106.8 million (compared with 101.8 million in the first half of 2021).

The main reason for this was the expansion into Western Switzerland in the fourth quarter of 2021. Various additions to the portfolio, in particular in Geneva and with a focus on residential, fully contributed to net income for the first time in the period under review. A large commercial building in Plan-les-Ouates GE was still being converted in the first half of 2022 and will start to generate rental income from October 2022. The annual target rental income from the additions to the portfolio in Western Switzerland is around CHF 14 million altogether. In view of the properties under construction or development in Western Switzerland, it is likely that rental income will also continue to rise in the next few years.

There were no changes in the portfolio in the first half of 2022. The cumulative vacancy rate remained stable compared with the balance sheet cut-off date at the end of 2021 to stand at the very low level of 1.5%. This means that Allreal's vacancy rate is still exceptionally low by industry standards. In the residential segment, there was a minor increase in vacancy rates (from 1.1% in the first half of 2021 to 1.2% in the first half of 2022). For commercial space, they remained unchanged at 1.6%.

Allreal is holding negotiations with several large customers on extending leases early. In the period under review the company achieved a success in early lease renewals at Vulkanstrasse 106 in Zurich Altstetten. Even though the long-term main tenant will hand back some of the space they have been renting until the end of 2023, they concluded a new rental agreement for the remaining area up to 2028. Allreal has already found attractive and long-term follow-up solutions for around half of the vacant space.

The weighted remaining term of fixed-term leases for all commercial real estate was 5.3 years as at the cut-off date (compared with 5.7 years as at 31 December 2021). When making the calculation, Allreal takes into account the earliest possible date that the tenant can terminate the lease.

Allreal expects a stable vacancy rate and no rise of note over the financial year 2022 as a whole based on the high quality of its real estate management and the fact that no more major leases are up for renewal in the current year.

Direct expenses for yield-producing properties rose only slightly, up from CHF 10.0 million in the first half of 2021 to CHF 10.8 million in the period under review. This was despite the larger portfolio. The operating expense ratio is expected to rise for 2022 as a whole given that work to refurbish or convert a number of properties is not due to begin until the second half of the year.

Despite higher rental income, the net return of yield-producing property fell by 0.3 percentage points year on year owing to revaluations in the previous year. Nevertheless, the net yield amounted to an attractive 3.9%, compared with 4.2% in the first half of 2021.

Construction work to extensively modernise the commercial building at Bellerivestrasse 36 in Zurich Riesbach is proceeding according to schedule. In aiming to achieve LEED Platinum certification, the conversion of the property will meet high sustainability standards. After around two years of construction, the office building will, from autumn 2023, be a new lakeside landmark in Zurich and generate annual target rental income of CHF 7.1 million.

The valuation of the investment real estate carried out by an external real estate valuer on 30 June resulted in an minimal upward revaluation of CHF 1.1 million. Of this, residential real estate accounted for CHF 8.3 million, commercial real estate for CHF –8.6 million and investment real estate under construction for CHF 1.4 million.

The total value of the portfolio of investment real estate on the cut-off date amounted to CHF 5.13 billion, compared with CHF 5.11 billion on 31 December 2021. The market value of the residential real estate came to CHF 1.66 billion, while that of commercial real estate amounted to CHF 3.30 billion. The market value of investment real estate under construction was CHF 164.5 million.

The Real Estate division reported net profit excluding revaluation effect of CHF 70.6 million in the first half of 2022, compared with CHF 66.1 million in the same period last year. Its share of the Group's net operating profit came to 85.6%.

Stable result in the Projects & Development division, with an improved gross margin

Allreal combines the Group's development and realisation expertise in the Projects & Development division. The division plans and implements its own projects, buys and sells development real estate, and provides services in the area of developing and realising projects – including for third parties. The Projects & Development division reported earnings of CHF 34.9 million in the first half of 2022, compared with CHF 37.5 million in the same period last year.

Income from the sale of development real estate had an impact in this respect. Meanwhile, business remained challenging for the Realisation department and well-functioning risk management is essential. On the one hand, some prices have risen considerably, while on the other, supply shortages for various materials are resulting in challenges when it comes to meeting deadlines. This environment continues to demand a high degree of flexibility in work processes. Against this background, the department proved its worth overall.

Earnings from realisation Projects & Development fell to CHF 13.4 million in the first half of 2022 from CHF 15.2 million in the same period a year earlier, again as a result of these factors. The gross margin – which was generated with the development and execution of projects for third parties – amounted to 11.2%, up from 9.1% at the end of 2021 and 11.4% in the first half of 2021. This meant that the profitability of the Realisation department moved towards the 12% target again.

Allreal disposed of a piece of land from its development reserves in the period under review. In Rümlang ZH, Allreal sold the final part of the Bäuler development reserve, in doing so benefiting from the current high land prices. As with the sale of residential real estate in Winterthur ZH and three projects in Western

Switzerland, the sale of development real estate generated sizeable income (CHF 15.6 million, compared with CHF 18.4 million in the first half of 2021).

The company secured a 4,916 square-metre site in Sünikon-Steinmaur ZH. The site comprises one property inhabited up to the end of 2023 and two uninhabited properties. Allreal will not realise residential property on the land until 2024 at the earliest.

In the Development department, the company conducted several competitions to develop sites. As the owner of the existing commercial property on the Baarer-matte plot in Baar ZG, Allreal is planning a mixed-use complex with 110 rental apartments and office space spanning 7,400 square metres. Not only will the project be of high architectural quality, it will also set an example as a building project with low greenhouse gas emissions. Allreal intends to create and operate the new builds without releasing more than the equivalent of six kilograms of CO₂ per square metre of the energy reference area each year. When initially planning the project, the company invited six architecture firms to take part in a study contract. In March 2022, the judging panel recommended proceeding with the plans submitted by Roman Hutter Architektur GmbH based in Lucerne. The planning application is expected to be submitted in mid-2024.

In Western Switzerland, Allreal successfully completed two projects in the first half of 2022. In Veyrier GE, 33 apartments in condominiums were completed at Route du Pas-de-l'Echelle. The construction volume came to CHF 31.7 million. Another in-house project was launched at Chemin De-Joinville in Meyrin GE with 16 apartments. The construction volume totalled CHF 8.7 million. Work to extend the interior of one of Allreal's own commercial properties in Plan-les-Ouates GE was also completed. The new facilities for the employees in Western Switzerland, which opened at the beginning of July 2022, are located at this multi-tenant building.

The largest third-party project under construction in Western Switzerland is the Clinique de Genolier in Genolier VD. The four-floor building comprises laboratories, operating theatres, treatment rooms for radiotherapy, an auditorium, an information centre, office space and a car park. The construction volume amounts to around CHF 58 million.

The Realisation department also made significant construction progress in German-speaking Switzerland. In Adliswil ZH, the company is developing and realising a residential and commercial complex on the Dietlimoos-Moos development site for a private investor. A new district is being created on six construction lots, comprising a total of 325 apartments and around 9,000 square metres of space reserved for trade and services. The construction volume amounts to over CHF 200 million. The first lots were completed in summer 2022.

At Hohlstrasse in Zurich Altstetten, work on the Letzi Turm project has now entered the final stages. Allreal, as the total contractor, is erecting two 70-metre residential high-rise buildings for Swiss Federal Railways comprising 178 rental units. The order volume is about CHF 70 million. The project will be completed and handed over to the client in the second half of 2022.

There was a minor decrease in the Realisation department's completed project volume to CHF 155.5 million in the period under review, down from CHF 160.5 million in the first half of 2021. Of this, third-party projects accounted for CHF 120.0 million, or 77.2%, and own projects for CHF 35.5 million, or 22.8%.

The secured order backlog as at the cut-off date amounted to around CHF 608 million, corresponding to capacity utilisation for just under two years.

The Projects & Development division recorded a net profit of CHF 11.9 million in the period under review, compared with CHF 14.6 million in the first half of 2021. This represents a 14.4% share in the Group's net operating profit.

Long-term and stable financing

As at the cut-off date, financial liabilities had increased only slightly – by CHF 15.8 million from CHF 2.73 billion on 31 December 2021 to CHF 2.74 billion – despite the distribution to shareholders in April 2022. Of this amount, bond issues accounted for 48.5%, fixed-rate mortgages for 27.2% and fixed advances for 24.3%.

On 30 June 2022, the average interest rate for financial liabilities amounted to just 0.63%. The average interest lock-in period amounted to 41 months. In the next few months, Allreal will review measures to finance debt on the capital market in order to replace expiring fixed-rate mortgages in good time. This will also enable interest lock-in periods to be extended up to the end of the financial year 2022.

As at 30 June 2022, the equity ratio amounted to 44.1%, net gearing to 107.3% and the interest coverage ratio to 11.7, compared with 44.1%, 103.7% and 12.9, respectively, on 31 December 2021.

Outlook for 2022 as a whole

Thanks to its strong operating performance in the first half of the year, Allreal is confident of achieving very good results for 2022 as a whole.

In the Real Estate division, the outlook continues to be very bright. Demand for attractive housing in urban locations remains high. Commercial space was also a sought-after commodity, particularly in central locations. In addition, no major commercial leases are up for renewal in the short term in the portfolio of yield-producing properties, which is why the vacancy rate is persistently at a very low level. Given the additional development potential of the portfolio in Western Switzerland, earnings are set to improve.

Although market conditions are challenging for the Projects & Development division, its own business activities are well under control. Thanks to the secured order backlog, the well-stocked development pipeline and the focus on projects with calculable risks and whose profit expectations remain intact, Allreal remains confident about its future performance. As part of its business model, the Projects & Development division is an important contributor to Allreal's portfolio growth, which focuses on quality.

Allreal now expects an overall net operating profit of at least CHF 135 million for 2022 as a whole.

Consolidated half-year financial statements of Allreal Group

Consolidated financial statements

| CHF million | Note | 1st half-year 2022 | 1st half-year 2021 |
|---|------|--------------------|--------------------|
| Income from renting investment real estate | 2 | 106.8 | 101.8 |
| Income from realisation Projects & Development | 3 | 120.0 | 133.1 |
| Income from sales Development | 3 | 26.5 | 75.5 |
| Diverse income | 3 | 0.9 | 0.7 |
| Operating income | | 254.2 | 311.1 |
| Direct expenses for rented investment real estate | 4 | -10.8 | -10.0 |
| Direct expenses from realisation Projects & Development | 3 | -106.6 | -117.9 |
| Direct expenses from sales Development | 3 | -10.9 | -57.1 |
| Direct operating expenses | | -128.3 | -185.0 |
| Personnel expenses | 5 | -21.8 | -18.3 |
| Other operating expenses | 6 | -7.4 | -3.7 |
| Operating expenses | | -29.2 | -22.0 |
| Capitalised company-produced assets | | 5.0 | 3.2 |
| Higher valuation of yield-producing properties | | 14.1 | 68.1 |
| Lower valuation of yield-producing properties | | -14.4 | -32.7 |
| Higher valuation of investment real estate under construction | | 1.5 | 6.4 |
| Lower valuation of investment real estate under construction | | -0.1 | 0.0 |
| Earnings from revaluation of investment real estate | 7 | 1.1 | 41.8 |
| EBITDA | | 102.8 | 149.1 |
| Depreciation other property, plant and equipment | | -0.8 | -0.6 |
| Depreciation intangible assets | | -0.2 | -0.1 |
| Operating profit (EBIT) | | 101.8 | 148.4 |
| Financial income | | 1.7 | 0.7 |
| Financial expenses | 8 | -8.6 | -7.8 |
| Earnings before tax | | 94.9 | 141.3 |
| Tax expenses | | -12.2 | -30.0 |
| Net profit | | 82.7 | 111.3 |
| Earnings per share in CHF | | 5.01 | 7.03 |
| Diluted earnings per share in CHF | | 5.00 | 7.03 |

Consolidated balance sheet

| CHF million | Note | 30.06.2022 | 31.12.2021 audited |
|---|------|----------------|-----------------------|
| Yield-producing properties | 10 | 4 963.6 | 4 954.6 |
| Investment real estate under construction | 10 | 164.5 | 151.1 |
| Other property, plant and equipment | | 10.4 | 10.0 |
| Financial assets | | 96.9 | 100.3 |
| Intangible assets | | 0.6 | 0.3 |
| Deferred tax assets | | 1.5 | 1.2 |
| Non-current assets | | 5 237.5 | 5 217.5 |
| Development real estate | 11 | 381.1 | 434.8 |
| Trade receivables | | 60.4 | 64.2 |
| Tax receivables | | 10.4 | 2.6 |
| Other receivables | | 12.8 | 11.7 |
| Cash | | 31.2 | 73.4 |
| Current assets | | 495.9 | 586.7 |
| Assets | | 5 733.4 | 5 804.2 |
| Share capital | 12 | 16.6 | 16.6 |
| Capital reserves | | 586.5 | 644.3 |
| Goodwill | | - 47.1 | - 47.1 |
| Treasury shares | | - 13.1 | - 13.4 |
| Retained earnings | | 1 982.8 | 1 957.9 |
| Equity | | 2 525.7 | 2 558.3 |
| Long-term borrowings | 13 | 1 709.4 | 1 821.1 |
| Deferred tax liabilities | | 368.8 | 371.8 |
| Long-term provisions | | 1.1 | 1.3 |
| Long-term liabilities | | 2 079.3 | 2 194.2 |
| Trade payables | | 55.7 | 107.4 |
| Other current liabilities | | 37.2 | 37.0 |
| Provisions | | 3.4 | 2.7 |
| Borrowings | 13 | 1 032.1 | 904.6 |
| Short-term liabilities | | 1 128.4 | 1 051.7 |
| Liabilities | | 3 207.7 | 3 245.9 |
| Equity and liabilities | | 5 733.4 | 5 804.2 |

Consolidated statement of changes in shareholders' equity

| CHF million | Retained earnings | | | | | | Total |
|-------------------------------|-------------------|------------------|-----------------|--------------|----------------------|-------------------------|----------------|
| | Share capital | Capital reserves | Treasury shares | Goodwill | Revaluation reserves | Other retained earnings | |
| As at 31 December 2020 | 15.9 | 575.9 | -6.7 | - | 402.2 | 1 425.6 | 2 412.9 |
| Net profit | | | | | | 111.3 | 111.3 |
| Purchase treasury shares | | | -19.1 | | | | -19.1 |
| Sale treasury shares | | | 0.1 | | | 0.1 | 0.2 |
| Distribution to shareholders | | -51.4 | | | | -55.3 | -106.7 |
| Share-based reimbursement | | | 0.2 | | | | 0.2 |
| Reclassification | | | | | 32.2 | -32.2 | 0.0 |
| As at 30 June 2021 | 15.9 | 524.5 | -25.5 | - | 434.4 | 1 449.5 | 2 398.8 |
| Net profit | | | | | | 71.3 | 71.3 |
| Purchase treasury shares | | | -71.1 | | | | -71.1 |
| Sale treasury shares | | | 203.7 | | | 2.7 | 206.4 |
| Authorised capital increase | 0.7 | 119.8 | -120.5 | | | | 0.0 |
| Share-based reimbursement | | | 0.0 | | | | 0.0 |
| Offsetting goodwill | | | 0.0 | -47.1 | | | -47.1 |
| Reclassification | | | | | 17.2 | -17.2 | 0.0 |
| As at 31 December 2021 | 16.6 | 644.3 | -13.4 | -47.1 | 451.6 | 1 506.3 | 2 558.3 |
| Net profit | | | | | | 82.7 | 82.7 |
| Purchase treasury shares | | | 0.0 | | | | 0.0 |
| Sale treasury shares | | | 0.1 | | | | 0.1 |
| Distribution to shareholders | | -57.8 | | | | -57.8 | -115.6 |
| Share-based reimbursement | | | 0.2 | | | | 0.2 |
| Reclassification | | | | | 0.9 | -0.9 | 0.0 |
| As at 30 June 2022 | 16.6 | 586.5 | -13.1 | -47.1 | 452.5 | 1 530.3 | 2 525.7 |

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 | 1st half- year 2022 | 1st half- year 2021 |
|--|------|------------------------|------------------------|
| Net profit before tax | | 94.9 | 141.3 |
| Net financial expenses | | 6.9 | 7.1 |
| Earnings from revaluation of investment real estate | 7 | -1.1 | -41.8 |
| Depreciation other property, plant and equipment | | 0.8 | 0.6 |
| Depreciation intangible assets | | 0.2 | 0.1 |
| Capitalisation of company-produced assets in development real estate | | -3.0 | -2.1 |
| Share-based reimbursement | | 0.2 | 0.2 |
| Other items | | 1.0 | 0.8 |
| Change in development real estate | | 53.7 | 41.6 |
| Change in trade receivables | | 3.8 | 2.9 |
| Change in other receivables | | -1.1 | -0.9 |
| Change in provisions | | 0.5 | -4.4 |
| Change in trade payables | | -51.7 | -20.4 |
| Change in other current liabilities | | 0.2 | -2.0 |
| Cost of finance paid | | -9.3 | -10.1 |
| Financial income received | | 0.7 | 0.7 |
| Income tax paid | | -22.6 | -19.5 |
| Cash flow from operating activities | | 73.9 | 94.1 |
| Investment in yield-producing properties | 10 | -8.0 | -11.6 |
| Investment in investment real estate under construction | 10 | -11.9 | -0.9 |
| Acquisition of other property, plant and equipment | | -1.6 | 0.0 |
| Investment in intangible assets | | -0.1 | -0.2 |
| Increase in financial assets | | -0.7 | -0.3 |
| Decrease in financial assets | | 5.0 | 5.7 |
| Cash flow from investing activities | | -17.3 | -7.3 |
| Increase in borrowings | | 110.0 | 220.0 |
| Decrease in borrowings | | -76.0 | -75.5 |
| Repayment of bond loan | | - | -119.9 |
| Purchase of bond loan | | -17.3 | - |
| Purchase treasury shares | | 0.0 | -19.1 |
| Sale treasury shares | | 0.1 | 0.1 |
| Distribution to shareholders | | -115.6 | -106.7 |
| Cash flow from financing activities | | -98.8 | -101.1 |
| Change in cash | | -42.2 | -14.3 |
| Cash at 1 January | | 73.4 | 40.5 |
| Cash at 30 June | | 31.2 | 26.2 |

Segment information for the first half-year 2022

| CHF million | Real Estate | Projects & Development | Total segments | Holding/ eliminations | Total |
|--|----------------|------------------------|----------------|-----------------------|----------------|
| Income statement | | | | | |
| Operating income | 106.8 | 147.4 | 254.2 | 0.0 | 254.2 |
| Profit from intercompany services | -4.6 | 4.9 | 0.3 | -0.3 | 0.0 |
| Direct operating expenses | -10.8 | -117.5 | -128.3 | 0.0 | -128.3 |
| Operating expenses | -2.8 | -25.5 | -28.3 | -0.9 | -29.2 |
| Capitalised company-produced assets | 0.0 | 5.0 | 5.0 | 0.0 | 5.0 |
| Earnings from revaluation of investment real estate | 1.1 | 0.0 | 1.1 | 0.0 | 1.1 |
| EBITDA | 89.7 | 14.3 | 104.0 | -1.2 | 102.8 |
| Depreciation and amortisation | 0.0 | -1.0 | -1.0 | 0.0 | -1.0 |
| Operating profit (EBIT) | 89.7 | 13.3 | 103.0 | -1.2 | 101.8 |
| Financial income | 0.6 | 0.0 | 0.6 | 1.1 | 1.7 |
| Financial expense | -8.0 | -0.6 | -8.6 | 0.0 | -8.6 |
| Tax expense | -10.8 | -0.8 | -11.6 | -0.6 | -12.2 |
| Net profit | 71.5 | 11.9 | 83.4 | -0.7 | 82.7 |
| EBITDA excl. revaluation gains | 88.6 | 14.3 | 102.9 | -1.2 | 101.7 |
| Operating profit (EBIT) excl. revaluation gains | 88.6 | 13.3 | 101.9 | -1.2 | 100.7 |
| Net profit excl. revaluation effect | 70.6 | 11.9 | 82.5 | -0.7 | 81.8 |
| Operating margin in percent ¹ | 92.3 | 38.1 | 77.9 | - | 76.9 |
| Rental income from real estate | 106.8 | 0.0 | 106.8 | 0.0 | 106.8 |
| Completed project volume third-party projects | 0.0 | 120.0 | 120.0 | 0.0 | 120.0 |
| Completed project volume own projects | 0.0 | 35.5 | 35.5 | 0.0 | 35.5 |
| Total sales (according to internal reporting) | 106.8 | 155.5 | 262.3 | 0.0 | 262.3 |
| less sales from intercompany services | 0.0 | -16.7 | -16.7 | 0.0 | -16.7 |
| Total sales to third parties (according to internal reporting) | 106.8 | 138.8 | 245.6 | 0.0 | 245.6 |
| plus reconciliation item external reporting | 0.0 | 7.7 | 7.7 | 0.0 | 7.7 |
| Diverse income | 0.0 | 0.9 | 0.9 | 0.0 | 0.9 |
| Operating income | 106.8 | 147.4 | 254.2 | 0.0 | 254.2 |
| Balance sheet as at 30.06.2022 | | | | | |
| Non-current assets | 5 225.3 | 11.2 | 5 236.5 | 1.0 | 5 237.5 |
| Current assets | 19.8 | 470.2 | 490.0 | 5.9 | 495.9 |
| Total assets | 5 245.1 | 481.4 | 5 726.5 | 6.9 | 5 733.4 |
| Provisions | 0.0 | 4.5 | 4.5 | 0.0 | 4.5 |
| Other debt (excl. financing and taxes) | 25.1 | 67.4 | 92.5 | 0.4 | 92.9 |
| Financial liabilities | 2 539.8 | 201.7 | 2 741.5 | 0.0 | 2 741.5 |
| Tax liabilities | 353.5 | 15.3 | 368.8 | 0.0 | 368.8 |
| Total debt | 2 918.4 | 288.9 | 3 207.3 | 0.4 | 3 207.7 |
| Total assigned equity² | 2 326.7 | 192.5 | 2 519.2 | 6.5 | 2 525.7 |
| Investment in non-current assets | 19.9 | 1.7 | 21.6 | 0.0 | 21.6 |

1 EBIT less revaluation gains as a percentage of income from business activity (balance of operating income, direct operating expenses, capitalised company-produced assets, and earnings from sale of investment real estate)

2 Assignment of equity to individual segments corresponds to internal financial reporting guidelines requiring an equity ratio of 40% for the Projects & Development division; financial and tax liabilities will be assigned accordingly

Segment information for the first half-year 2021

| CHF million | Real Estate | Projects & Development | Total segments | Holding/ eliminations | Total |
|--|----------------|------------------------|----------------|-----------------------|----------------|
| Income statement | | | | | |
| Operating income | 101.8 | 209.3 | 311.1 | 0.0 | 311.1 |
| Profit from intercompany services | -4.3 | 4.6 | 0.3 | -0.3 | 0.0 |
| Direct operating expenses | -10.0 | -175.0 | -185.0 | 0.0 | -185.0 |
| Operating expenses | -1.4 | -20.0 | -21.4 | -0.6 | -22.0 |
| Capitalised company-produced assets | 0.0 | 3.2 | 3.2 | 0.0 | 3.2 |
| Earnings from revaluation of investment real estate | 41.8 | 0.0 | 41.8 | 0.0 | 41.8 |
| EBITDA | 127.9 | 22.1 | 150.0 | -0.9 | 149.1 |
| Depreciation and amortisation | 0.0 | -0.7 | -0.7 | 0.0 | -0.7 |
| Operating profit (EBIT) | 127.9 | 21.4 | 149.3 | -0.9 | 148.4 |
| Financial income | 0.7 | 0.0 | 0.7 | 0.0 | 0.7 |
| Financial expense | -7.4 | -0.4 | -7.8 | 0.0 | -7.8 |
| Tax expense | -22.9 | -6.4 | -29.3 | -0.7 | -30.0 |
| Net profit | 98.3 | 14.6 | 112.9 | -1.6 | 111.3 |
| EBITDA excl. revaluation gains | 86.1 | 22.1 | 108.2 | -0.9 | 107.3 |
| Operating profit (EBIT) excl. revaluation gains | 86.1 | 21.4 | 107.5 | -0.9 | 106.6 |
| Net profit excl. revaluation effect | 66.1 | 14.6 | 80.7 | -1.6 | 79.1 |
| Operating margin in percent ¹ | 93.8 | 57.1 | 83.1 | - | 82.4 |
| Rental income from real estate | 101.8 | 0.0 | 101.8 | 0.0 | 101.8 |
| Completed project volume third-party projects | 0.0 | 133.1 | 133.1 | 0.0 | 133.1 |
| Completed project volume own projects | 0.0 | 27.4 | 27.4 | 0.0 | 27.4 |
| Total sales (according to internal reporting) | 101.8 | 160.5 | 262.3 | 0.0 | 262.3 |
| less sales from intercompany services | 0.0 | -13.9 | -13.9 | 0.0 | -13.9 |
| Total sales to third parties (according to internal reporting) | 101.8 | 146.6 | 248.4 | 0.0 | 248.4 |
| plus reconciliation item external reporting | 0.0 | 62.0 | 62.0 | 0.0 | 62.0 |
| Diverse income | 0.0 | 0.7 | 0.7 | 0.0 | 0.7 |
| Operating income | 101.8 | 209.3 | 311.1 | 0.0 | 311.1 |
| Balance sheet as at 31.12.2021 | | | | | |
| Non-current assets | 5 206.3 | 10.5 | 5 216.8 | 0.7 | 5 217.5 |
| Current assets | 19.5 | 559.7 | 579.2 | 7.5 | 586.7 |
| Total assets | 5 225.8 | 570.2 | 5 796.0 | 8.2 | 5 804.2 |
| Provisions | 0.0 | 4.0 | 4.0 | 0.0 | 4.0 |
| Other debt (excl. financing and taxes) | 25.4 | 118.2 | 143.6 | 0.8 | 144.4 |
| Financial liabilities | 2 532.5 | 193.2 | 2 725.7 | 0.0 | 2 725.7 |
| Tax liabilities | 354.8 | 16.4 | 371.2 | 0.6 | 371.8 |
| Total debt | 2 912.7 | 331.8 | 3 244.5 | 1.4 | 3 245.9 |
| Total assigned equity² | 2 313.1 | 238.4 | 2 551.5 | 6.8 | 2 558.3 |
| Investment in non-current assets | 29.6 | 0.2 | 29.8 | 0.0 | 29.8 |

1 EBIT less revaluation gains as a percentage of income from business activity (balance of operating income, direct operating expenses, capitalised company-produced assets, and earnings from sale of investment real estate)

2 Assignment of equity to individual segments corresponds to internal financial reporting guidelines requiring an equity ratio of 40% for the Projects & Development division; financial and tax liabilities will be assigned accordingly

Selected notes

1. Basic principles

1.1 Presentation of accounts

The consolidated half-year financial statements 2022 were prepared in accordance with Swiss GAAP FER 31 "Complementary recommendation for listed companies" and are compatible with the Listing Rules as well as Article 17 of the Directive on Financial Reporting (DFR) of SIX Swiss Exchange. The same accounting principles apply as for the consolidated financial statements for 2021. No new FER standards had come into force as at 1 January 2022.

Individual business activities of Allreal Group are subject to fluctuations over the course of the year, in particular in the Projects & Development division – for example the planning and execution of construction projects and the sale of development real estate. No exceptional circumstances came about in the first half of 2022 that had a significant impact on the asset, financial or earnings situation of Allreal Group.

The consolidated half-year financial statements 2022 were approved by the Board of Directors of Allreal Holding AG on 18 August 2022.

1.2 Scope of consolidation

The scope of consolidation remained unchanged in the first half of 2022.

1.3 Valuation uncertainties

Investment real estate

Owing to the geopolitical situation and the interest rate environment, the external real estate valuer JLL issued the following disclosure when determining the market value of the investment real estate:

"In a press release entitled "Monetary policy assessment of 16 June 2022", the Swiss National Bank (SNB) decided to raise the SNB policy rate and the interest rate on sight deposits at the SNB by half a percentage point, from -0.75% to -0.25%. As a result, interest rates for mortgage financing rose significantly. At the time this report was issued, previous real estate transactions therefore represent only a partial basis for comparison for our market value estimates.

In addition, the ongoing war in Ukraine and the sanctions imposed on Russia are leading to increased volatility in the international capital markets and uncertainties regarding the costs and security of supply of energy and natural resources. The influence on property markets outside the region directly affected is still uncertain at the time this report was issued.

The above-mentioned explanations of the current market conditions are included in the valuation report for transparency purposes and provide an overview of the market conditions in which the valuation report was carried out. It should be noted that this valuation is based on market data and comparables available at the time this report was issued and that the volatile market conditions mentioned may result in rapid changes in property yields. We therefore recommend a regular review of the valuation result as of the reporting date."

2. Income from rental of investment real estate

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Rental income from residential properties | 26.4 | 20.8 |
| Rental income from commercial properties | 80.4 | 81.0 |
| Income from renting investment real estate | 106.8 | 101.8 |

The cumulative vacancy rate for the first half of 2022 was unchanged year on year, totalling 1.5% of target rental income. This can be broken down into 1.2% for residential real estate and 1.6% for commercial real estate (compared with 1.1% and 1.6%, respectively, in the first half of 2021).

The investment real estate that was acquired in Western Switzerland on 15 October 2021 contributed CHF 5.6 million to rental income in the first half of 2022.

3. Earnings from Projects & Development division

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Income from realisation Projects & Development | 120.0 | 133.1 |
| Direct expenses from realisation Projects & Development | -106.6 | -117.9 |
| Earnings from realisation Projects & Development | 13.4 | 15.2 |
| Income from sales Development | 26.5 | 75.5 |
| Direct expenses from sales Development | -10.9 | -57.1 |
| Income from sales Development | 15.6 | 18.4 |
| Capitalised company-produced assets | 5.0 | 3.2 |
| Diverse income | 0.9 | 0.7 |
| Earnings from Projects & Development division | 34.9 | 37.5 |

Earnings from realisation Projects & Development consist of architects' and project & development fees of CHF 12.0 million, as well as earnings from construction activity of CHF 2.5 million, compared with CHF 12.0 million and CHF 3.9 million, respectively, in the first half of 2021. This contrasts with directly offset sales deductions of CHF 1.1 million (first half-year of 2021: CHF 0.7 million).

Earnings from sales Development is made up of the disposal of the Bäuler development reserve in Rümlang ZH (CHF 18.8 million), as well as revenue from the Florenstrasse in Winterthur ZH (CHF 2.2 million), Av. Louis Casai 68-70 and Chemin De-Joinville 43 in Meyrin GE, and Route du Pas-de-l'Echelle 51 in Veyrier GE (CHF 5.5 million) residential real estate projects. This resulted in gains on sales of CHF 15.6 million.

4. Direct expenses for rented investment real estate

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Administrative and operating expenses, residential real estate | -1.4 | -0.9 |
| Administrative and operating expenses, commercial real estate | -2.2 | -2.3 |
| Maintenance and repair expenses, residential real estate | -3.2 | -1.9 |
| Maintenance and repair expenses, commercial real estate | -4.0 | -4.9 |
| Real estate expenses | -10.8 | -10.0 |

5. Personnel expenses

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---------------------------|-----------------------|-----------------------|
| Salaries and wages | -16.9 | -14.7 |
| Social insurance benefits | -1.7 | -1.3 |
| Employee pension plans | -1.5 | -1.3 |
| Share-based reimbursement | -0.2 | -0.2 |
| Other personnel expenses | -1.5 | -0.8 |
| Personnel expenses | -21.8 | -18.3 |

6. Other operating expenses

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|----------------------------------|-----------------------|-----------------------|
| IT expenses | -0.9 | -0.7 |
| Rental expenses | -0.8 | -0.5 |
| Consultancy and legal fees | -1.2 | -0.9 |
| Administration expenses | -1.7 | -0.6 |
| Capital taxes | -1.2 | -0.8 |
| Other general operating expenses | -1.6 | -0.2 |
| Other operating expenses | -7.4 | -3.7 |

7. Earnings from revaluation of investment real estate

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Higher valuation of yield-producing properties | 14.1 | 68.1 |
| Higher valuation of investment real estate under construction | 1.5 | 6.4 |
| Lower valuation of yield-producing properties | -14.4 | -32.7 |
| Lower valuation of investment real estate under construction | -0.1 | 0.0 |
| Earnings from revaluation of investment real estate | 1.1 | 41.8 |

The higher valuation of yield-producing properties can be attributed to a revaluation of residential real estate amounting to CHF 9.3 million and a revaluation of commercial real estate amounting to CHF 4.8 million, compared with CHF 48.1 million and CHF 20.0 million, respectively, in the first half of 2021. CHF 1.0 million of the lower valuation of yield-producing properties relates to residential real estate and CHF 13.4 million to commercial real estate (the latter accounted for CHF 32.7 million in the first half of 2021).

The average discount rates as at 30 June 2022 for the entire portfolio of yield-producing properties amounted to 3.63% (compared with 3.64% as at 31 December 2021). As at 30 June 2022, the average capitalisation rates amounted to 3.14%, unchanged from 31 December 2021.

As in the previous year, Jones Lang LaSalle AG acts as the real estate valuer on a contract basis.

8. Financial expense

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Interest expense for bond issues | -4.6 | -4.0 |
| Interest expense payable to banks/insurance companies for liabilities | -4.0 | -3.9 |
| Capitalised building loan interest | 0.1 | 0.1 |
| Other financial expenses | -0.1 | 0.0 |
| Financial expense | -8.6 | -7.8 |

9. Earnings per share / net asset value (NAV) per share

| | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Number of outstanding shares as at 1 January (in thousands) | 16 522 | 15 900 |
| Authorized capital increase | - | - |
| Change in holdings of treasury shares (in thousands) | 2 | - 99 |
| Number of outstanding shares on cut-off date (in thousands) | 16 524 | 15 801 |
| Average number of outstanding shares (in thousands) | 16 523 | 15 834 |
| Net profit excl. revaluation effect (in CHF million) | 81.8 | 79.1 |
| Earnings from revaluation of investment real estate (in CHF million) | 1.1 | 41.8 |
| Deferred taxes on revaluation gains (in CHF million) | -0.2 | -9.6 |
| Net profit incl. revaluation effect (in CHF million) | 82.7 | 111.3 |
| Earnings per share incl. revaluation effect (CHF) | 5.01 | 7.03 |
| Earnings per share excl. revaluation effect (CHF) | 4.95 | 5.00 |
| Diluted earnings per share | | |
| - incl. revaluation effect (CHF) | 5.00 | 7.03 |
| - excl. revaluation effect (CHF) | 4.95 | 4.99 |

The share-based remuneration of members of Group Management has the effect of diluting the net profit per share. For this calculation, the average number of outstanding shares increases from 16,523,054 to 16,525,067 shares.

| CHF million | 30.06.2022 | 31.12.2021 |
|--|---------------|---------------|
| Outstanding shares (in thousands) on cut-off date | 16 524 | 16 522 |
| Equity on cut-off date (CHF million) | 2 525.7 | 2 558.3 |
| Net asset value (NAV) per share after deferred taxes (CHF) | 152.85 | 154.85 |
| Equity plus provision for deferred taxes less deferred tax assets (CHF million) | 2 893.0 | 2 928.9 |
| Net asset value (NAV) per share before deferred taxes (CHF) | 175.10 | 177.25 |

10. Investment real estate

| CHF million | 30.06.2022 | 31.12.2021 |
|---|----------------|----------------|
| Residential real estate | 1 659.2 | 1 647.1 |
| Commercial real estate | 3 304.4 | 3 307.5 |
| Yield-producing properties | 4 963.6 | 4 954.6 |
| Investment real estate under construction | 164.5 | 151.1 |
| Investment real estate | 5 128.1 | 5 105.7 |

The changes in the first half of 2022 can be summarised as follows:

| CHF million | Residential real estate | Commercial real estate | Total yield-producing properties | Investment real estate under construction | Total investment real estate |
|--|-------------------------|------------------------|----------------------------------|---|------------------------------|
| As at 01.01.2022 | 1 647.1 | 3 307.5 | 4 954.6 | 151.1 | 5 105.7 |
| Purchases | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Value-enhancing investments | 3.8 | 4.2 | 8.0 | 11.9 | 19.9 |
| Capitalised building loan interest | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| Disposals | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Reclassifications | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Market value adjustments | 8.3 | -8.6 | -0.3 | 1.4 | 1.1 |
| Rent-free periods | 0.0 | 1.3 | 1.3 | 0.0 | 1.3 |
| As at 30.06.2022 | 1 659.2 | 3 304.4 | 4 963.6 | 164.5 | 5 128.1 |
| of which pledged or subject to transfer restrictions | 1 152.3 | 2 414.4 | 3 566.7 | 144.5 | 3 343.1 |
| | 69.4% | 73.1% | 71.9% | 87.7% | 72.4% |

The value-enhancing investments relate to the yield-producing properties at Route de Saint-Julien 198, Plan-les-Outes GE (CHF 3.1 million), Chemin De-Joinville 32 und 34, Meyrin GE (CHF 1.8 million), Rue de Frontenex 51, Genf (CHF 1.7 million), Baarermatte, Baar ZG (CHF 0.5 million); and twelve other properties (CHF 0.9 million).

Largest tenants: commercial real estate

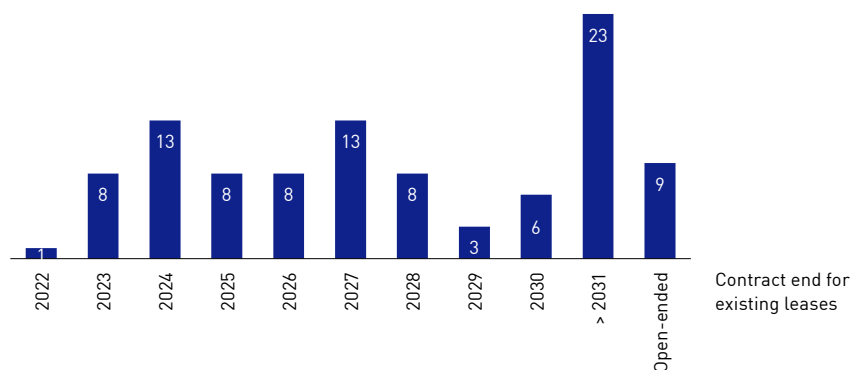
The five largest tenants account for 41% of the total rental income from commercial real estate:

| CHF million | 30.06.2022 | 31.12.2021 |
|--------------------------------------|------------|------------|
| Canton Zurich | 15% | 15% |
| Generali Switzerland | 8% | 8% |
| Allianz Suisse Insurance Company Ltd | 6% | 6% |
| MAN Energy Solutions Switzerland Ltd | 6% | 6% |
| Swiss Confederation | 6% | 6% |
| Total | 41% | 41% |

The five largest tenants' share of total rental income from all yield-producing properties (residential and commercial) in the first half of 2022 amounted to around 31% (Canton of Zurich 11%, Generali Switzerland 6%, Allianz Suisse Insurance Company Ltd 5%, MAN Energy Solutions Switzerland Ltd 5% and Swiss Confederation 4%).

Maturity profile of commercial real estate leases

as a percentage of outstanding rental income (in CHF million – rounded)



The weighted remaining term of fixed-term leases for commercial real estate is 5.3 years (31.12.2021: 5.7 years) and takes into account the earliest possible date that the tenant can terminate their contract.

Investment real estate under construction as at 30 June 2022

| Location | Property | Acquisition/ project start | Area of property in m ² | Register of suspected contami- nated sites | Market value CHF mil- lion ¹ | Estimated investment volume CHF mil- lion ² | Target rental income on completion p.a. CHF million | Expected completion |
|--|------------------------------|-------------------------------|--|---|--|--|---|------------------------|
| Geneva | Avenue de l'Amondolier 21 | 2021 | 1667 | no | 8.6 | 9.6 | 0.4 | 2024 |
| Petit Lancy GE | Avenue de Cimetière 22 | 2021 | 2116 | no | 11.7 | 8.7 | 0.4 | 2023 |
| Zurich | Bellerivestrasse 36 | 2004/2021 | 10 494 | no | 144.2 | 177.3 | 7.1 | 2023 |
| Total investment real estate under construction | | | | | 164.5 | 195.6 | 7.9 | |

1 As per 30.06.2022 valuation

2 Building and land costs

Avenue de l'Amondolier 21, Geneva

Construction of a new apartment building with 16 rental apartments, as well as retail space. The amount of space available for rent totals 1,288 square metres. The project is being executed by the Projects & Development division and, upon completion in the second half of 2024, will be reported in the portfolio of yield-producing properties. For the market valuation as at the balance sheet cut-off date, nominal discount and capitalisation rates of 2.85% and 2.35%, respectively, were applied and are unchanged from 31 December 2021.

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

Avenue du Cimetière 22, Petit-Lancy GE

Construction of a new apartment building with 17 rental apartments. The amount of space available for rent totals 1,067 square metres. The project is being executed by the Projects & Development division and, upon completion in the first half of 2023, will be reported in the portfolio of yield-producing properties. For the

market valuation as at the balance sheet cut-off date, nominal discount and capitalisation rates of 3.05% and 2.55%, respectively, were applied and are unchanged from 31 December 2021.

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

Bellerivestrasse 36, Zurich

Comprehensive total refurbishment of a commercial property, conforming to the high standards that are in place in terms of energy efficiency. The project is being executed by the Projects & Development division and, upon completion in the second half of 2023, will be reported in the portfolio of yield-producing properties. For the market valuation as at the balance sheet cut-off date, nominal discount and capitalisation rates of 3.50% and 3.00%, respectively, were applied (compared with 3.55% and 3.05%, respectively, as at 31 December 2021).

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

11. Development real estate

| CHF million | Development reserves | Buildings under construction | Completed real estate | Development real estate |
|--|----------------------|------------------------------|-----------------------|-------------------------|
| As at 01.01.2022 | 417.4 | 17.4 | 0.0 | 434.8 |
| Purchases | 0.3 | 0.0 | 0.0 | 0.3 |
| From construction activity/development | 1.0 | 10.9 | 0.0 | 11.9 |
| Income from sales Development | 14.3 | 1.3 | 0.0 | 15.6 |
| Impairment | 0.0 | 0.0 | 0.0 | 0.0 |
| Disposals/offsetting prepayments | -18.9 | -62.6 | 0.0 | -81.5 |
| Reclassifications | -67.2 | 67.2 | 0.0 | 0.0 |
| As at 30.06.2022 | 346.9 | 34.2 | 0.0 | 381.1 |

The disposal of development reserves relate to Bäuler in Rümlang ZH (CHF 18.9 million), in the case of buildings under construction, all units at Florenstrasse in Winterthur ZH (CHF 9.5 million), at Route du Pas-de-l'Echelle 51 in Veyrier GE (CHF 24.3 million), at Chemin De-Joinville 43 in Meyrin GE (CHF 16.3 million) and at Av. Louis Casai 68-70 in Meyrin GE (CHF 12.6 million) were disposed of following a transfer of ownership.

As at 30 June 2022, the composition of the balance sheet position of development real estate was as follows:

| Location | Property | Acquisition/ project start | Site area in m ² | Register of suspected contamin- ated sites | Book value in CHF million | Estimated investment volume CHF million ¹ | Project status | Expected comple- tion |
|---|---|----------------------------------|-----------------------------------|--|------------------------------------|---|----------------|-----------------------------|
| Development reserves | | | | | | | | |
| Chavannes-près-Renens VD | Av. de la Gare 84 | 2021 | 33 111 | no | 116.0 ² | 337.0 | in planning | open |
| Confignon GE | Route de Base / Ch. des Grands-Champs 23 | 2021 | 6 232 | no | 17.6 ² | 60.0 | in planning | open |
| Geneva | Av. Louis Casai 12 | 2021 | 3 153 | no | 7.3 ² | 24.6 | in planning | open |
| Geneva | Ch. du Dr J-L Prevost 3 | 2021 | 1 186 | no | 4.0 ² | 12.0 | in planning | open |
| Geneva | Ch. Buisson 6 | 2021 | 476 | no | 5.3 ² | 15.0 | in planning | open |
| Geneva | Ch. Mestrezat 5A, 5B et 7 | 2021 | 4 752 | no | 22.9 ² | 45.0 | in planning | open |
| Geneva | Parcelle Joli-Mont 2 | 2021 | 1 041 | no | 2.4 ² | 8.1 | in planning | open |
| Geneva | Rue Edouard Rod A4 | 2021 | 879 | no | 8.8 ² | 15.0 | in planning | open |
| Grand-Lancy GE | Cure Baud 22 | 2021 | 1 040 | no | 6.4 ² | 13.0 | in planning | open |
| Lucerne | Eggen | 2018 | 8 386 | no | 34.6 ² | 72.5 | in planning | open |
| Nyon VD | Tattes d'Oie 83 et 91 | 2021 | 6 093 | yes | 7.3 ² | 44.0 | in planning | open |
| Riehen BS | Inzlingerstrasse | 2019 | 10 883 | no | 19.3 ² | 52.6 | in planning | open |
| Sunikon ZH | Hohlgasse 7 | 2022 | 4 817 | no | 0.3 ² | 25.7 | in planning | open |
| Veyrier Nord GE | Pré des Dames | 2021 | 14 557 | no | 10.5 ² | 84.0 | in planning | open |
| Zumikon ZH | Am Strubenacher | 2019 | 4 569 | no | 12.9 ² | 33.8 | in planning | open |
| Zurich | Badenerstrasse 501-505 | 2020 | 1 739 | no | 31.9 ² | 61.1 | | |
| Zurich | Hauserstrasse | 2019 | 1 341 | no | 7.1 ² | 15.0 | in planning | open |
| Zurich | Spiserstrasse | 2018/2019 | 3 001 | no | 32.3 ² | 75.2 | in planning | open |
| Total development reserves | | | | | 346.9 | 993.6 | | |
| Buildings under construction | | | | | | | | |
| Bülach ZH | Widstud | 2021 | 56 945 | yes | 16.7 ² | 29.2 | in progress | 2022 |
| Geneva | Av. de l'Amandolier 21 | 2021 | 822 | no | 5.1 ² | 10.8 | in progress | 2024 |
| Lancy GE | Av. du Cimetière 22 | 2021 | 1 053 | no | 12.4 ² | 12.1 | in progress | 2023 |
| Total buildings under construction | | | | | 34.2 | 52.1 | | |
| Completed real estate | | | | | | | | |
| Total completed real estate | | | | | 0.0 | | | |
| Total development real estate | | | | | 381.1 | 1 045.7 | | |

1 Land and building costs

2 Book value includes acquisition costs for the land 100% owned by Allreal and accrued project costs of third parties

3 Book value includes acquisition costs for prepayments made for land and accrued project costs of third parties (transfer of ownership for land outstanding)

Widstud, Bülach ZH

New-build shooting centre with various indoor and outdoor facilities. The land was acquired in the first half of 2021 and the project comprises around 6,800 square metres of floor space. The property will be incorporated into the development real estate portfolio by the Projects & Development division upon completion. It is being built by the Projects & Development division. The work is due to be completed in autumn 2022, with the centre scheduled to open its doors in summer 2023. Widstud-Betriebsgesellschaft AG will act as the operating company under a long-term rental agreement with Allreal covering at least 30 years.

12. 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 general meeting if entered in the share register.

Shareholdings developed as follows:

| Number of shares | Shares issued | Treasury shares | Outstanding shares |
|-----------------------------|-------------------|-----------------|--------------------|
| 2021 | | | |
| As at 1 January | 15 942 821 | 43 045 | 15 899 776 |
| Authorized capital increase | 650 000 | | |
| Purchase of treasury shares | | 1 117 426 | |
| Sale of treasury shares | | -1 088 791 | |
| Share-based reimbursement | | - 928 | |
| As at 31 December | 16 592 821 | 70 752 | 16 522 069 |
| 2022 | | | |
| As at 1 January | 16 592 821 | 70 752 | 16 522 069 |
| Purchase of treasury shares | | 0 | |
| Sale of treasury shares | | - 927 | |
| Share-based reimbursement | | - 819 | |
| As at 30 June | 16 592 821 | 69 006 | 16 523 815 |

The average purchase price per share stands at CHF 189.15, compared with CHF 189.15 as at 31 December 2021. The total purchase price is deducted from consolidated equity.

The Board of Directors is authorised by the annual general meeting to increase the share capital – excluding the subscription rights of shareholders as applicable – until 8 April 2024 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 or investment projects, or for the purpose of an international placement of shares worth up to CHF 1,000,000 by issuing up to 1,000,000 registered shares each with a par value of CHF 1.00 (authorised capital).

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 500,000 through the issue of up to 500,000 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.

The annual general meeting of Allreal Holding AG of 8 April 2022 voted in favour of a distribution of CHF 7.00 per share, corresponding to a total amount of CHF 116.1 million. Of this amount, CHF 3.50 per share was paid out in the form of a repayment of reserves from contribution of capital and CHF 3.50 per share as a dividend.

13. Short-term borrowings

Maturity of liabilities at nominal values:

| CHF million | < 1 year | 1–3 years | 3–5 years | > 5 years | Total |
|-------------------|-------------|-------------|-------------|-------------|--------------|
| As at 31.12.2021 | | | | | |
| Borrowings | 904.6 | 468.3 | 348.3 | 1 006.3 | 2 727.5 |
| Total in % | 33.2 | 17.2 | 12.8 | 36.8 | 100.0 |
| As at 30.06.2022 | | | | | |
| Borrowings | 1 032.8 | 444.6 | 392.4 | 874.3 | 2 744.1 |
| Total in % | 37.6 | 16.2 | 14.3 | 31.9 | 100.0 |

The financial liabilities consist 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 rolling basis.

The average interest lock-in period for all financial liabilities decreased to 41 months as at the balance sheet cut-off date (compared with 44 months as at 31 December 2021).

As at the balance sheet date, the bond issues and fixed-rate mortgages are recognised as follows:

| CHF million | Effective interest | Fair value category | Nominal value ¹ | Book value as at 30.06.2022 | Fair value as at 30.06.2022 | Book value as at 31.12.2021 | Fair value as at 31.12.2021 |
|--|--------------------|---------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| 0.6% bond issue 2019–15.07.2030 | 0.66% | 250.0 | 242.6 | 241.5 | 203.6 | 248.7 | 248.1 |
| 0.4% bond issue 2019–26.09.2029 | 0.43% | 200.0 | 181.7 | 181.3 | 156.4 | 192.1 | 189.8 |
| 0.7% bond issue 2020–22.09.2028 | 0.73% | 175.0 | 175.0 | 174.7 | 158.0 | 174.7 | 176.8 |
| 0.875% bond issue 2017–30.03.2027 | 0.86% | 160.0 | 158.6 | 158.7 | 148.1 | 158.7 | 162.7 |
| 0.75% bond issue 2017–19.06.2026 | 0.76% | 150.0 | 148.3 | 148.2 | 142.1 | 148.2 | 151.1 |
| 1.375% bond issue 2015–31.03.2025 | 1.32% | 100.0 | 100.0 | 100.1 | 98.1 | 100.2 | 104.3 |
| 0.625% bond issue 2016–10.05.2024 | 0.68% | 150.0 | 149.6 | 149.4 | 147.1 | 149.4 | 151.7 |
| 0.5% bond issue 2018–19.04.2023 | 0.55% | 125.0 | 124.1 | 124.0 | 123.3 | 124.0 | 125.2 |
| –0.30% private placement 2022–15.01.2023 | –0.30% | 50.0 | 50.0 | 50.0 | 50.0 | – | – |
| –0.35% private placement 2021–15.01.2022 | –0.35% | 50.0 | 50.0 | – | – | 50.00 | 50.00 |
| Fixed-rate mortgages | – | – | 745.3 | 745.3 | 719.3 | 761.3 | 763.7 |

¹ Par value equals issue amount offset against repurchased bonds

CHF 0.2 million was spent on the amortisation of the issuing costs for the bonds in the period under review (compared with CHF 0.1 million in the first half of 2021).

As at 30 June 2022, fixed advances amounting to CHF 668.9 million and fixed-rate mortgages amounting to CHF 745.3 million (at nominal values) are in place, all of which were taken out with Swiss banks, insurance companies or pension funds. Immediately callable credit limits are in place amounting to CHF 210.0 million.

The average interest rate of all financial liabilities as at 30 June 2022 is 0.63% (31.12.2021: 0.61%). In the first half of the financial year 2022, outstanding bond issues in the amount of CHF 17.3 million were purchased, with the company recording financial income of CHF 1.1 million.

The contractual clauses agreed with lenders (financial covenants) concerning minimum capitalisation (equity ratio, net gearing, interest coverage ratio and refinancing of properties) were complied with without exception in the period under review.

14. Capital commitments, contingent liabilities and legal disputes

There are no purchase commitments, 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 CHF 312.4 million in connection with financing transactions with third parties on behalf of individual subsidiaries (31.12.2021: CHF 339.1 million).

As at 30 June 2022, there are no pending legal disputes of a nature liable to have a significant impact on the asset and income situation of Allreal Group for which no corresponding provisions are in place.

15. Events after the balance sheet cut-off date

Between 30 June 2022 and 18 August 2022 (the date on which the consolidated half-year financial statements were approved by the Board of Directors), no events took place which would result in 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

Residential properties as at 30 June 2022

| Location | Address | Ownership status ¹ | Year acquired | Year of construction | Renovation ² | Area of property in m ² | Register of suspected contaminated sites | Minergie |
|------------------------------------|---|-------------------------------|---------------|----------------------|-------------------------|------------------------------------|--|----------|
| City of Zurich | | | | | | | | |
| Zurich | Grünhof-Areal ³ | SO | 2002 | 1925 | 2019/2020 PR | 7 870 | yes | no |
| Zurich | Hardturmstrasse 5 | CO ⁴ | 2004 | 2014 | 2019–2021 TR | 2 651 | no | yes |
| Zurich | Heerenwiesen 23-41, Winterthurerstrasse 563, Schürgstrasse 18 / 20 | SO | 2003 | 1996 | | 11 616 | no | no |
| Zurich | Josefstrasse 137 | SO | 1999 | 1984 | | 903 | no | no |
| Zurich | Neunbrunnenstrasse 47–53 | SO | 1993 | 2013 | | 4 291 | yes | yes |
| Zurich | Schiffbaustrasse 7 | SO | 2010 | 2016 | | 1 610 | no | yes |
| Zurich | Zollikerstrasse 185–187 | SO | 2008 | 1984 | 2017 PR | 1 445 | no | no |
| Total city of Zurich | | | | | | 30 386 | | |
| Rest of Canton Zurich | | | | | | | | |
| Adliswil | Moosstrasse 1–13 / Grütstrasse 33–39 | SO | 2005 | 2011 | | 13 901 | no | yes |
| Bülach | Hohfuristrasse 7–11 / Unterweg 55–59 / Im Stumpfen 2 | SO | 1999 | 1979 | 2013 TR | 8 412 | no | no |
| Bülach | Fangletenstrasse 4–18 | SO | 2018 | 2018 | | 11 018 | no | yes |
| Fällanden | Unterdorfstrasse 2/4 / Unterdorfwäg 2–22 | SO | 2003 | 2008 | 2019/2020/ 2021 PR | 23 691 | no | no |
| Glattbrugg | Hohenstieglenstrasse 1–23, 2–16 | SO | 1999 | 1990 | 2017 PR | 29 639 | no | no |
| Kloten | Schaffhauserstrasse 117/119 | SO | 2001 | 1992 | | 3 643 | no | no |
| Oberglatt | Chlirietstrasse 6/8/10 | SO | 2003 | 1974 | 2006/2007 PR | 2 028 | no | no |
| Schlieren | Limmataustrasse 2–8 / Limmatstrasse 9–11 / Engstringermatte | SO | 1999 | 1984 | 2018 TR | 8 907 | no | no |
| Schlieren | Schulstrasse 71–77 / Flöhrebenstrasse 6 | CO ⁵ | 2002 | 1988 | | 2 543 | no | no |
| Volketswil | Sunnebühlstrasse 1–17 / Ifangstrasse 12–20 / Neufund 1/3 | SO | 1999 | 1968 | 2002/2003 TR | 20 110 | no | no |
| Wallisellen | Escherweg 2–6 / Favreweg 1–5 / Richtiarkade 13–15 / Richtiring 14–16 (Richti-Areal) | SO | 2002 | 2014 | | 8 242 | no | yes |
| Total rest of Canton Zurich | | | | | | 132 134 | | |

1 SO = sole ownership; CO = condominium ownership

2 TR = total renovation; PR = partial renovation

3 Cumulative vacancy rate as a percentage of target rental income for 2022

4 As per valuation on 30 June 2022 (nominal rates)

5 The Grünhof site includes Ankerstrasse 23, Ankerstrasse 27, Badenerstrasse 119–125, Badenerstrasse 131, Feldgüetliweg 2, Grüngasse 31, Grüngasse 33–43, Köchlistrasse 14 and Köchlistrasse 20

6 Condominium property owned 100% by Allreal

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| Area of property in m ² | 1-1½-room apartments | 2-2½-room apartments | 3-3½-room apartments | 4-4½-room apartments | > 5-room apartments | Total apartments | Other uses in m ² | Target rental income in CHF million for 2022 | Vacancy rate in % ³ | Discount/capitalisation rate in % ⁴ |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|------------------------------|--|--------------------------------|--|
| 11 555 | 2 | 39 | 53 | 36 | 3 | 133 | 2 662 | 5.6 | 1.2 | 2.99/2.49 |
| 6 087 | - | 17 | 27 | 6 | 1 | 51 | - | 2.6 | 0.1 | 3.05/2.55 |
| 7 782 | 8 | 12 | 25 | 29 | 6 | 80 | 2 836 | 2.4 | 0.4 | 3.15/2.65 |
| 2 747 | 4 | 36 | - | - | - | 40 | 212 | 0.9 | 0.3 | 2.90/2.40 |
| 4 640 | - | - | 14 | 21 | 5 | 40 | - | 1.5 | 0.3 | 2.90/2.40 |
| 2 333 | - | 3 | 16 | 3 | 1 | 23 | 1 002 | 1.3 | 0.0 | 3.05/2.55 |
| 1 637 | 2 | 2 | 4 | 4 | 2 | 14 | 165 | 0.6 | 0.1 | 2.90/2.40 |
| 36 781 | 16 | 109 | 139 | 99 | 18 | 381 | 6 877 | 14.9 | 0.6 | |
| 13 299 | - | 27 | 62 | 38 | 10 | 137 | 350 | 3.7 | 0.4 | 3.15/2.65 |
| 3 850 | - | 9 | 16 | 18 | 6 | 49 | 50 | 1.0 | 0.3 | 3.30/2.80 |
| 7 253 | - | 14 | 25 | 31 | 6 | 76 | - | 1.9 | 1.6 | 3.30/2.80 |
| 14 903 | - | 20 | 41 | 56 | 22 | 139 | 2 392 | 4.1 | 0.1 | 3.35/2.85 |
| 14 654 | 18 | 30 | 71 | 41 | - | 160 | 659 | 3.1 | 0.7 | 3.20/2.70 |
| 2 090 | - | 4 | - | 10 | 4 | 18 | 200 | 0.5 | 1.3 | 3.20/2.70 |
| 2 479 | - | 17 | 17 | - | - | 34 | 9 | 0.5 | 2.8 | 3.25/2.75 |
| 5 100 | - | 18 | 24 | 12 | - | 54 | 286 | 1.1 | 3.5 | 3.00/2.55 |
| 3 332 | - | - | 24 | 16 | - | 40 | 354 | 0.8 | 2.0 | 3.10/2.60 |
| 12 236 | - | - | 48 | 60 | 40 | 148 | 110 | 2.4 | 0.9 | 3.35/2.85 |
| 13 856 | 1 | 18 | 75 | 22 | 2 | 118 | 1 208 | 3.9 | 0.1 | 3.25/2.75 |
| 93 052 | 19 | 157 | 403 | 304 | 90 | 973 | 5 618 | 23.0 | 0.7 | |

Residential properties as at 30 June 2022

| Location | Address | Ownership status ¹ | Year acquired | Year of construction | Renovation ² | Area of property in m ² | Register of suspected contaminated sites | Minergie |
|--------------------------------------|--|-------------------------------|---------------|----------------------|-------------------------|------------------------------------|--|----------|
| Western Switzerland | | | | | | | | |
| Bernex GE | Rue de Bernex 315-327 | SO | 2021 | 1964 | 2019 PR | 5 713 | no | no |
| Carouge GE | Avenue Industrielle 18 | SO | 2021 | 1915 | 2020 PR | 462 | no | no |
| Carouge GE | Rue Daniel-Gevril 10 / Rue Saint-Nicolas-le-Vieux 9-11 | SO | 2021 | 1965 | 2013 PR | 1 364 | yes | no |
| Geneva | Rue Jean-Jaquet 3 | SO | 2021 | 1936 | 2015 PR | 252 | no | no |
| Geneva | Rue de Zurich 1 | SO | 2021 | 1936 | 2018 TR | 203 | no | no |
| Geneva | Rue de Zurich 3 | SO | 2021 | 1910 | 2021 PR | 282 | no | no |
| Geneva | Rue de Zurich 3A/5/7 | SO | 2021 | 1952 | 2020 PR | 1 154 | no | no |
| Geneva | Rue du Grand-Pré 57 | SO | 2021 | 1960 | 2020 PR | 457 | no | no |
| Geneva | Rue de Vermont 32-40 | SO | 2021 | 1960 | 2020 PR | 3 526 | no | no |
| Geneva | Rue Gustave-Muller-Brun 3 | SO | 2021 | 1937 | 2014 TR | 375 | no | no |
| Geneva | Route de Frontenex 51 | SO | 2021 | 1970 | 2022 PR | 639 | no | no |
| Gland VD | Chemin du Molard 10 / Allée Leotherius 2 / Allée Louis Cristin 1 | SO | 2011 | 2014 | | 1 173 | no | yes |
| Grand-Lancy GE | Chemin des Semailles 19 | SO | 2021 | 2021 | | 225 | no | yes |
| Meyrin GE | Chemin De-Joinville 32 | SO | 2021 | 2021 | | 2 191 | no | no |
| Meyrin GE | Chemin De-Joinville 34 | SO | 2021 | 2021 | | | no | no |
| Onex GE | Chemin de la Traille 21 | SO | 2021 | 1961 | 2021 PR | 249 | no | no |
| Onex GE | Chemin de la Traille 25 | SO | 2021 | 1961 | 2021 PR | 343 | no | no |
| Onex GE | Chemin de la Traille 35 | SO | 2021 | 1962 | | 250 | no | no |
| Onex GE | Route de Loëx 51 | SO | 2021 | 1961 | 2015 TR | 367 | no | no |
| Petit-Lancy GE | Chemin des Pâquerettes 20 | SO | 2021 | 2017 | | 446 | no | yes |
| Total western Switzerland | | | | | | 19 671 | | |
| Other regions | | | | | | | | |
| Allschwil BL | Kurzelängeweg 26-38 + 32a | SO | 1999 | 1989 | 2010 PR | 6 260 | no | no |
| Basel | Achilles-Bischoff- Strasse 2-10 | SO | 2006 | 1969 | 2009 TR | 2 420 | no | no |
| Basel | Grosspeterstrasse 45 / St.-Jakobs-Strasse 108 | SO | 2006 | 1995 | | 2 067 | no | no |
| Basel | Efringerstrasse 15 | SO | 2021 | 1905 | | 222 | no | no |
| Total other regions | | | | | | 10 969 | | |
| Total residential real estate | | | | | | 193 160 | | |

1 SO = sole ownership; CO = condominium ownership

2 TR = total renovation; PR = partial renovation

3 Cumulative vacancy rate as a percentage of target rental income for 2022

4 As per valuation on 30 June 2022 (nominal rates)

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| Area of property in m ² | 1-1½-room apartments | 2-2½-room apartments | 3-3½-room apartments | 4-4½-room apartments | ≥ 5-room apartments | Total apartments | Other uses in m ² | Target rental income in CHF million for 2022 | Vacancy rate in % ¹ | Discount/capitalisation rate in % ⁴ |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|------------------------------|--|--------------------------------|--|
| 2 101 | - | 4 | 12 | 11 | 5 | 32 | 958 | 1.0 | 0.2 | 3.35/2.85 |
| 1 005 | - | 20 | 1 | 2 | 1 | 24 | - | 0.4 | 1.0 | 2.70/2.20 |
| 3 252 | 3 | 2 | 14 | 24 | 10 | 53 | 750 | 1.3 | 0.4 | 2.70/2.20 |
| 635 | 1 | 8 | 2 | 3 | - | 14 | 151 | 0.3 | 0.5 | 2.70/2.20 |
| 849 | 1 | 6 | 11 | - | - | 18 | 147 | 0.3 | 0.0 | 2.65/2.15 |
| 858 | - | 7 | 7 | 3 | - | 17 | - | 0.3 | 0.0 | 2.60/2.10 |
| 2 586 | 2 | 23 | 23 | 1 | 7 | 56 | - | 1.2 | 3.5 | 2.60/2.10 |
| 1 167 | - | - | 19 | - | - | 19 | 98 | 0.3 | 0.5 | 2.75/2.25 |
| 5 387 | - | 31 | 43 | 16 | 5 | 95 | 51 | 1.4 | 0.3 | 2.70/2.20 |
| 1 888 | - | 7 | 12 | 5 | 2 | 26 | 236 | 0.8 | 3.1 | 2.70/2.20 |
| 2 143 | 7 | - | 14 | - | 12 | 33 | 667 | 0.8 | 6.3 | 2.60/2.10 |
| 4 981 | 1 | 21 | 29 | 9 | 5 | 65 | - | 0.8 | 0.0 | 3.25/2.75 |
| 518 | - | - | 1 | 9 | - | 10 | - | 0.2 | 0.0 | 2.90/2.40 |
| 1 205 | - | - | 5 | 5 | 7 | 17 | 96 | 0.4 | 6.2 | 3.00/2.50 |
| 1 199 | - | - | 6 | 6 | 6 | 18 | 234 | 0.5 | 8.7 | 3.00/2.50 |
| 607 | - | 2 | 2 | 2 | 3 | 9 | - | 0.2 | 0.0 | 3.00/2.50 |
| 801 | - | - | - | 3 | 6 | 9 | - | 0.2 | 0.0 | 3.00/2.50 |
| 695 | - | 2 | 1 | 3 | 3 | 9 | - | 0.2 | 3.5 | 3.00/2.50 |
| 1 068 | - | 5 | - | 8 | 3 | 16 | - | 0.3 | 0.0 | 3.00/2.50 |
| 1 203 | - | - | 6 | 1 | 8 | 15 | - | 0.3 | 0.0 | 2.90/2.40 |
| 34 148 | 15 | 138 | 208 | 111 | 83 | 555 | 3 388 | 11.3 | 1.8 | |
| 4 015 | - | 7 | 20 | 20 | - | 47 | 490 | 1.0 | 2.5 | 3.45/2.95 |
| 5 954 | 28 | 24 | 28 | 24 | - | 104 | 1 040 | 1.6 | 0.9 | 3.05/2.55 |
| 3 022 | 5 | 19 | 11 | 8 | - | 43 | 47 | 0.8 | 1.1 | 3.25/2.75 |
| 533 | 2 | 10 | - | - | - | 12 | - | 0.1 | 9.8 | 2.70/2.20 |
| 13 524 | 35 | 60 | 59 | 52 | 0 | 206 | 1 577 | 3.5 | 1.5 | |
| 177 505 | 85 | 464 | 809 | 566 | 191 | 2 115 | 17 460 | 52.7 | 1.2 | |

Commercial properties as at 30 June 2022

| Location | Address | Ownership status ¹ | Year acquired | Year of construction | Renovations ² | Area of property in m ² |
|-----------------------------|---|-------------------------------|---------------|----------------------|--------------------------|------------------------------------|
| City of Zurich | | | | | | |
| Zurich | Bändliweg 21 | SO | 2005 | 1995 | 2019 PR | 9 254 |
| Zurich | Bellerivestrasse 30 | SO | 2004 | 1986 | 2017 TR | 2 316 |
| Zurich | Binzmühlestrasse 95-99, Therese-Giese-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 PR | 38 362 |
| Zurich | Herostrasse 12 | SO | 2010 | 2014 | | 4 027 |
| Zurich | Hohlstrasse 600 | SO | 2001 | 1986 | 2006/2012 TR | 2 894 |
| Zurich | Kalchbühlstrasse 22/24 | SO | 2000 | 1976 | 2014/2015 TR | 3 101 |
| Zurich | Kreuzstrasse 5 | LO | 2004 | 2006 | | 3 333 |
| Zurich | Renggerstrasse 3 | SO | 1999 | 1966 | 2001 PR | 1 389 |
| Zurich | Schiffbaustrasse 2 | SO | 2002 | 2017 | | 9 338 |
| Zurich | Vulkanstrasse 106 | SO | 2002 | 2005 | | 12 295 |
| Zurich | Weststrasse 74 | SO | 1996 | 1995 | | 1 482 |
| Zurich | Zollikerstrasse 183 | SO | 2008 | 1984 | 2007 PR | 3 371 |
| Zurich | Zollstrasse / Josefstrasse 23-29 / Klingenstrasse 4 | SO | 1993/2006 | 1997 | 2017/2021 PR | 4 201 |
| Total city of Zurich | | | | | | 136 196 |

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 2022

4 As per valuation on 30 June 2022 (nominal rates)

| Register of suspected contaminated sites | Minergie | 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 2022 | Vacancy rate in % ³ | Discount/capitalisation rate in % ⁴ |
|--|----------|-------------------------------|----------------------------|----------------------------|---------------------------------|--------------------------|--|--------------------------------|--|
| no | no | 18 642 | 90.8 | 0.0 | 0.0 | 9.2 | 5.6 | 0.0 | 3.65/3.15 |
| no | no | 3 078 | 95.0 | 0.0 | 0.0 | 5.0 | 1.5 | 0.0 | 3.55/3.05 |
| no | no | 26 139 | 8.0 | 55.0 | 33.0 | 5.0 | 6.9 | 0.4 | 3.45/2.95 |
| no | no | 4 743 | 75.0 | 3.0 | 11.0 | 12.0 | 1.4 | 0.1 | 3.55/3.05 |
| no | no | 4 856 | 34.0 | 0.0 | 19.0 | 47.0 | 1.9 | 0.9 | 3.55/3.05 |
| no | yes | 87 004 | 87.2 | 0.0 | 12.8 | 0.0 | 20.9 | 0.1 | 3.85/3.45 |
| no | yes | 5 960 | 88.0 | 5.2 | 0.0 | 6.8 | 2.3 | 0.0 | 3.45/2.95 |
| yes | no | 50 432 | 32.3 | 0.0 | 0.0 | 67.7 | 10.3 | 0.0 | 4.73/4.23 |
| no | yes | 11 256 | 95.8 | 0.0 | 0.0 | 4.2 | 3.7 | 0.4 | 3.85/3.35 |
| no | no | 10 190 | 91.0 | 0.0 | 0.0 | 9.0 | 4.1 | 1.7 | 3.75/3.25 |
| no | no | 6 244 | 45.8 | 0.0 | 6.0 | 48.2 | 1.6 | 0.0 | 4.05/3.55 |
| no | no | 1 628 | 95.7 | 0.0 | 0.0 | 4.3 | 1.0 | 0.0 | 3.55/3.05 |
| no | no | 1 729 | 77.1 | 0.0 | 0.0 | 22.9 | 0.3 | 1.6 | 3.05/2.55 |
| yes | yes | 13 141 | 81.5 | 5.7 | 0.0 | 12.8 | 4.8 | 0.0 | 3.45/2.95 |
| no | yes | 36 311 | 95.1 | 0.0 | 0.0 | 4.9 | 11.3 | 2.2 | 3.85/3.35 |
| no | no | 3 277 | 33.5 | 0.0 | 55.3 | 11.2 | 0.8 | 0.5 | 3.25/2.75 |
| no | no | 2 777 | 81.7 | 0.0 | 0.0 | 18.3 | 1.1 | 0.0 | 3.95/3.45 |
| no | no | 10 703 | 56.9 | 3.4 | 29.8 | 9.9 | 4.3 | 0.4 | 3.45/2.95 |
| | | 298 110 | 69.2 | 5.3 | 8.5 | 17.0 | 83.8 | 0.5 | |

Commercial properties as at 30 June 2022

| Location | Address | Ownership status ¹ | Year acquired | Year of construction | Renovations ² | Area of property in m ² |
|-------------------------------------|---|-------------------------------|---------------|----------------------|--------------------------|------------------------------------|
| Rest of Canton Zurich | | | | | | |
| Adliswil | Soodmattenstrasse 2/4/6/8/10 ⁸ | SO | 2017 | 1989/90 | 2016 PR | 24 834 |
| 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 | | 7 089 |
| Schlieren | Zürcherstrasse 104 | SO | 2002 | 1988 | 2012 TR | 4 724 |
| Urdorf | In der Luberzen 29 | SO | 2000 | 1993 | | 4 667 |
| Wallisellen | Bürogebäude Allianz ⁴ | SO | 2002 | 2013 | | 13 078 |
| Wallisellen | Bürogebäude Richtiring ⁷ | SO | 2002 | 2014 | | 16 875 |
| Wetzikon | Binzstrasse 32 | SO | 2020 | 2009 | | 10 368 |
| Winterthur | Schützenstrasse 2 / Zürcherstrasse 12 + 14 ⁸ | SO | 2002 | 1928/53/86 | | 18 386 |
| Total rest of Canton Zurich | | | | | | 131 050 |
| Western Switzerland | | | | | | |
| Aire GE | Chemin de la Verseuse 3 | SO | 2021 | 1986 | 2019 PR | 4 442 |
| Le Grand-Saconnex GE | Route François-Peyrot 10–14 | SO | 2011 | 2004 | | 8 442 |
| Nyon VD | Avenue Perdtemps 23 | SO | 2017 | 2006 | | 6 451 |
| Petit-Lancy GE | Chemin des Olliquettes 4/Chemin du Gué 99 | SO | 2008 | 2010 | | 1 417 |
| Plan-les-Ouates GE | Route de Saint Julien 198 (Pré-Fleuri 15) | SO | 2021 | 2018 | 2022 PR | 11 271 |
| Total western Switzerland | | | | | | 27 581 |
| Other regions | | | | | | |
| Baar ZG | Baarermatte | SO | 2002 | 1981 | | 17 960 |
| Basel | Missionsstrasse 60–62a | SO | 1999 | 1972 | 2014 TR | 1 811 |
| Basel | Missionsstrasse 64–64a | SO | 2007 | 1972 | 2014 TR | 1 658 |
| Basel | Steinenvorstadt 36 | SO | 1999 | 1982 | 2012/2013 PR | 718 |
| Basel | Viaduktstrasse 40–44 / Binningerstrasse 35 | SO | 2009 | 1998 | 2021 PR | 5 454 |
| Bern | Freiburgstrasse 130 | LO | 2018 | 1999 | | 7 323 |
| Total other regions | | | | | | 34 924 |
| Total commercial real estate | | | | | | 329 751 |

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 2022

4 As per valuation on 30 June 2022 (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 Richtiring office building with retail space and peripheral plots

8 Three properties

| Register of suspected contaminated sites | Minergie | 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 2022 | Vacancy rate in % ³ | Discount/capitalisation rate in % ⁴ |
|--|----------|-------------------------------|----------------------------|----------------------------|---------------------------------|--------------------------|--|--------------------------------|--|
| no | no | 38 933 | 77.5 | 5.6 | 1.6 | 15.3 | 8.2 | 0.0 | 3.95/3.45 |
| no | no | 26 006 | 25.9 | 1.5 | 0.5 | 72.1 | 2.5 | 0.0 | 4.75/4.25 |
| no | no | 4 343 | 97.5 | 0.0 | 0.0 | 2.5 | 1.0 | 4.7 | 4.25/3.75 |
| no | yes | 13 414 | 93.2 | 0.0 | 0.0 | 6.8 | 3.8 | 0.1 | 4.25/3.75 |
| no | yes | 13 314 | 90.8 | 0.0 | 0.0 | 9.2 | 3.8 | 0.0 | 4.28/3.78 |
| no | no | 10 193 | 88.2 | 0.0 | 0.0 | 11.8 | 2.1 | 6.3 | 4.35/3.85 |
| no | no | 2 705 | 35.5 | 43.1 | 0.0 | 21.4 | 0.9 | 0.0 | 4.85/4.35 |
| yes | no | 9 456 | 74.1 | 0.0 | 0.0 | 25.9 | 1.4 | 6.4 | 5.15/4.65 |
| no | yes | 50 819 | 74.7 | 12.9 | 0.0 | 12.4 | 11.9 | 0.1 | 4.20/3.70 |
| no | yes | 25 525 | 77.7 | 16.2 | 0.0 | 6.1 | 9.5 | 0.0 | 4.25/3.75 |
| yes | no | 16 235 | 52.1 | 0.0 | 0.0 | 47.9 | 2.9 | 0.0 | 3.80/3.30 |
| no | no | 24 319 | 82.1 | 0.0 | 0.0 | 17.9 | 5.3 | 3.7 | 4.23/3.73 |
| | | 235 262 | 71.7 | 6.2 | 0.3 | 21.8 | 53.3 | 0.9 | |
| no | no | 3 195 | 0.0 | 0.0 | 0.0 | 100.0 | 0.7 | 0.0 | 4.15/3.65 |
| no | no | 5 498 | 92.8 | 0.0 | 0.0 | 7.2 | 2.7 | 36.3 | 4.15/3.65 |
| no | no | 15 172 | 77.6 | 10.1 | 0.0 | 12.3 | 4.5 | 0.0 | 4.00/3.50 |
| yes | yes | 5 516 | 91.8 | 0.0 | 0.0 | 8.2 | 2.1 | 14.2 | 4.05/3.50 |
| no | yes | 9 703 | 55.0 | 13.0 | 0.0 | 32.0 | 2.9 | 0.0 | 3.65/3.15 |
| | | 39 084 | 69.8 | 7.2 | 0.0 | 23.1 | 12.9 | 9.9 | |
| no | no | 10 112 | 76.4 | 0.0 | 0.0 | 23.6 | 2.2 | 8.7 | 4.45/3.95 |
| no | no | 3 985 | 81.8 | 0.0 | 8.0 | 10.2 | 1.2 | 0.5 | 4.15/3.65 |
| no | no | 2 829 | 71.9 | 0.0 | 3.4 | 24.7 | 0.6 | 0.2 | 4.15/3.65 |
| no | no | 4 292 | 37.5 | 27.8 | 30.3 | 4.4 | 1.1 | 14.5 | 4.05/3.55 |
| no | no | 20 213 | 61.8 | 20.2 | 0.0 | 18.0 | 5.1 | 1.6 | 3.80/3.30 |
| no | no | 22 540 | 85.7 | 1.8 | 0.0 | 12.5 | 9.7 | 0.0 | 4.15/3.65 |
| | | 63 971 | 72.6 | 8.9 | 2.7 | 15.8 | 19.9 | 2.2 | |
| | | 636 427 | 70.6 | 6.1 | 4.4 | 19.0 | 169.9 | 1.6 | |

Alternative performance measures

The definitions and verification of the calculation of the Allreal Group's alternative performance measures for the first half-year 2022 are set out below.

Total sales

Total sales resulting from rental of investment real estate plus completed project volume in the Projects & Development division.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Rental income from investment real estate | 106.8 | 101.8 |
| Sales Projects & Development division | 155.5 | 160.5 |
| Total sales | 262.3 | 262.3 |

Operating profit (EBIT) excl. revaluation gains

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Operating profit (EBIT) | 101.8 | 148.4 |
| Earnings from revaluation of investment real estate | -1.1 | -41.8 |
| Operating profit (EBIT) excl. revaluation gains | 100.7 | 106.6 |

Net profit excl. revaluation effect

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Net profit | 82.7 | 111.3 |
| Earnings from revaluation of investment real estate | -1.1 | -41.8 |
| Deferred taxes on revaluation | 0.2 | 9.6 |
| Net profit excl. revaluation effect | 81.8 | 79.1 |

Return on equity incl. revaluation effect

Annualised net profit in relation to average group equity (balance from 1 January and 30 June, divided by two).

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Annualised net profit incl. revaluation effect | 165.4 | 222.6 |
| Group equity, balance as at 1 January | 2 558.3 | 2 412.9 |
| Group equity, balance as at 30 June | 2 525.7 | 2 398.8 |
| Average group equity incl. revaluation effect | 2 542.0 | 2 405.9 |
| Return on equity incl. revaluation effect | 6.5% | 9.3% |

Return on equity excl. revaluation effect

Annualised net profit excl. revaluation effect in relation to average group equity without the revaluation reserves recognised in group equity (balance from 1 January and 30 June, divided by two).

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Annualised net profit excl. revaluation effect | 163.6 | 158.2 |
| Group equity, balance as at 1 January | 2 558.3 | 2 412.9 |
| Revaluation reserves, balance as at 1 January | -451.6 | -402.2 |
| Group equity, balance as at 30 June | 2 525.7 | 2 398.8 |
| Revaluation reserves, balance as at 30 June | -452.5 | -434.4 |
| Average group equity without revaluation reserves | 2 089.9 | 1 987.6 |
| Return on equity excl. revaluation effect | 7.8% | 8.0% |

Sales Projects & Development division

Completed project volume of third-party projects and own projects corresponds to the total of all project costs, fees and profits accrued according to the progress of construction.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Completed project volume third-party projects | 120.0 | 133.1 |
| Completed project volume own projects | 35.5 | 27.4 |
| Sales Projects & Development division | 155.5 | 160.5 |

Gross margin third-party projects Projects & Development division

Gross margin reflects earnings from the Projects & Development division as a percentage of income from realisation Projects & Development.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|---|-----------------------|-----------------------|
| Earnings from realisation Projects & Development | 13.4 | 15.2 |
| Income from realisation Projects & Development | 120.0 | 133.1 |
| Gross margin third-party projects Projects & Development | 11.2% | 11.4% |

Gross yield

Gross yield reflects the income from rental of investment properties as a percentage of the amortised market value of the yield-producing properties as at 1 January, without rights of use of investment properties, adjusted for portfolio changes over time.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Annualised income from renting investment real estate | 213.6 | 203.6 |
| Amortised market value of yield-producing properties as at 1 January without rights of use of investment real estate | 4 954.6 | 4 428.5 |
| Portfolio changes over time | 9.5 | 9.5 |
| Own use | -37.8 | -37.8 |
| Amortised market value of yield-producing properties as at 1 January without rights of use of investment real estate after portfolio changes | 4 926.3 | 4 400.2 |
| Gross yield | 4.3% | 4.6% |

Net yield

Net yield reflects earnings from renting investment real estate as a percentage of amortised market value of yield-producing properties as at 1 January, without rights of use of investment real estate, adjusted by portfolio changes over time.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Annualised earnings from renting investment real estate | 192.0 | 183.6 |
| Amortised market value of yield-producing properties as at 1 January without rights of use of investment real estate | 4 954.6 | 4 428.5 |
| Portfolio changes over time | 9.5 | 9.5 |
| Own use | -37.8 | -37.8 |
| Amortised market value of yield-producing properties as at 1 January without rights of use of investment real estate after portfolio changes | 4 926.3 | 4 400.2 |
| Net yield | 3.9% | 4.2% |

Vacancy rate

Vacancy rate corresponds to the cumulative vacancy rate as a result of non-letting as a percentage of the target rental income for one year.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|------------------------|-----------------------|-----------------------|
| Vacancy loss | -1.6 | -1.6 |
| Targeted rental income | 111.3 | 105.1 |
| Vacancy rate | 1.5% | 1.5% |

The indicators below were calculated according to the usual international parameters and allow a comparison with other market participants.

Operating profit and operating profit per share

The operating profit shows the net profit adjusted for revaluation effect and earnings from the sale of investment real estate, as well as the relevant tax implications.

| CHF million | 1st half-year 2022 | 1st half-year 2021 |
|--|-----------------------|-----------------------|
| Earnings according to income statement | 82.7 | 111.3 |
| Adjusted by: | | |
| Earnings from revaluation of investment real estate | -1.1 | -41.8 |
| Earnings from sale of investment real estate | - | - |
| Earnings from development real estate held for sale incl. impairment | -15.6 | -18.4 |
| Pro-rata income tax on sales | 0.7 | 6.5 |
| Deferred taxes on revaluation | 0.2 | 9.6 |
| Operating real estate earnings | 66.9 | 67.2 |
| Average number of outstanding shares | 16 523 054 | 15 833 846 |
| Operating real estate earnings per share in CHF | 4.05 | 4.25 |

Adjusted equity (NAV) and adjusted equity (NAV) per share

Adjusted equity shows the equity adjusted for changes in the fair value of the development real estate, the market value of financial instruments and deferred taxes.

| CHF million | 30.06.2022 | 31.12.2021 |
|--|----------------|----------------|
| Equity (NAV) according to consolidated financial statements | 2 525.7 | 2 558.3 |
| Dilution effects | 0.0 | 0.0 |
| Diluted equity (NAV) | 2 525.7 | 2 558.3 |
| Less: | | |
| Valuation difference on development real estate | 49.2 | 16.7 |
| Plus: | | |
| Market value of derivative financial instruments | - | - |
| Deferred taxes | 367.3 | 370.6 |
| Adjusted equity (NAV) | 2 942.2 | 2 945.6 |
| Number of outstanding shares (diluted) | 16 523 815 | 16 524 705 |
| Adjusted equity (NAV) per share in CHF | 178.05 | 178.26 |

Vacancy rate on the balance sheet cut-off date

The vacancy rate relates to the vacancy rate as a result of non-letting as a percentage and taking into account the market rent for the vacant space on the balance sheet cut-off date.

| CHF million | 30.06.2022 | 31.12.2021 |
|---|-------------|-------------|
| Estimated rental potential of vacant premises | 3.5 | 3.3 |
| Estimated rental income from total portfolio | 222.6 | 223.9 |
| vacancy rate at | 1.6% | 1.5% |

Information on investment real estate

| | | City of Zurich | | Rest of Canton of Zurich | | Western Switzerland | | Other regions | | Total real estate | |
|--|---------------------|----------------|---------|-----------------------------|---------|---------------------|-------|---------------|-------|-------------------|---------|
| | | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Residential real estate | | | | | | | | | | | |
| Number | | 7 | 7 | 11 | 11 | 20 | 20 | 4 | 4 | 42 | 42 |
| Living space | '000 m ² | 37 | 37 | 93 | 93 | 34 | 34 | 14 | 14 | 178 | 178 |
| Vacancy rate ¹ | % | 0.6 | 1.7 | 0.7 | 0.6 | 3.3 | 0.0 | 1.7 | 2.3 | 1.2 | 1.1 |
| Rental income | CHF million | 7.4 | 6.9 | 11.4 | 11.4 | 5.9 | 0.8 | 1.7 | 1.7 | 26.4 | 20.8 |
| Earnings on property ² | CHF million | 6.7 | 6.2 | 9.5 | 9.8 | 4.3 | 0.7 | 1.3 | 1.3 | 21.8 | 18.0 |
| Gross return | % | 3.1 | 3.9 | 3.6 | 3.7 | 2.6 | 3.5 | 3.8 | 4.0 | 3.2 | 3.8 |
| Net yield ³ | % | 2.7 | 3.5 | 3.0 | 3.2 | 2.2 | 2.9 | 3.0 | 3.1 | 2.7 | 3.3 |
| Acquisition value | CHF million | 293.2 | 293.1 | 376.0 | 375.8 | 418.7 | 418.7 | 58.8 | 58.8 | 1 146.6 | 1 146.4 |
| Market value | CHF million | 486.9 | 485.7 | 649.8 | 642.1 | 433.3 | 430.0 | 89.2 | 89.3 | 1 659.2 | 1 647.1 |
| Average market value per property | CHF million | 69.6 | 69.4 | 59.1 | 58.4 | 21.7 | 21.5 | 22.3 | 22.3 | 39.5 | 39.2 |
| Change in market value ⁴ | CHF million | 1.1 | 26.1 | 7.6 | 18.5 | -0.3 | 1.0 | -0.1 | 2.5 | 8.3 | 48.1 |
| Commercial real estate | | | | | | | | | | | |
| Number | | 18 | 18 | 16 | 16 | 5 | 5 | 6 | 6 | 45 | 45 |
| Floor space | '000 m ² | 310 | 310 | 235 | 235 | 39 | 39 | 64 | 64 | 648 | 648 |
| Vacancy rate ¹ | % | 0.5 | 0.2 | 0.9 | 1.3 | 9.9 | 9.1 | 2.2 | 4.7 | 1.6 | 1.6 |
| Rental income | CHF million | 41.4 | 42.6 | 25.5 | 25.6 | 4.4 | 4.4 | 9.1 | 8.4 | 80.4 | 81.0 |
| Earnings on property ² | CHF million | 38.0 | 38.9 | 23.9 | 23.5 | 3.4 | 4.1 | 8.5 | 7.3 | 73.8 | 73.7 |
| Gross return | % | 4.5 | 4.5 | 5.2 | 5.2 | 3.7 | 5.9 | 7.6 | 7.0 | 4.9 | 4.9 |
| Net yield ³ | % | 4.1 | 4.1 | 4.8 | 4.7 | 3.3 | 4.9 | 7.1 | 6.0 | 4.5 | 4.4 |
| Acquisition value | CHF million | 1 550.7 | 1 550.0 | 1 048.3 | 1 048.3 | 308.6 | 305.6 | 302.2 | 301.7 | 3 209.8 | 3 205.6 |
| Market value | CHF million | 1 854.4 | 1 852.1 | 982.1 | 982.1 | 232.8 | 234.9 | 235.0 | 238.4 | 3 304.4 | 3 307.5 |
| Average market value per property | CHF million | 103.0 | 102.9 | 61.4 | 61.4 | 46.6 | 47.0 | 39.2 | 39.7 | 73.4 | 73.5 |
| Change in market value ⁴ | CHF million | 1.7 | 18.2 | -1.2 | -14.8 | -5.1 | -13.3 | -4.0 | -2.8 | -8.6 | -12.7 |
| Investment real estate under construction | | | | | | | | | | | |
| Number | | 1 | 1 | - | - | 2 | 2 | - | - | 3 | 3 |
| Land area | '000 m ² | 10 | 10 | - | - | 4 | 4 | - | - | 14 | 14 |
| Acquisition value | CHF million | 117.4 | 105.4 | - | - | 18.1 | 18.1 | - | - | 135.5 | 123.5 |
| Market value | CHF million | 144.2 | 132.0 | - | - | 20.3 | 19.1 | - | - | 164.5 | 151.1 |
| Change in market value ⁴ | CHF million | 0.2 | 6.0 | - | - | 1.2 | 1.1 | - | - | 1.4 | 7.1 |
| Investment volume | CHF million | 177.3 | 174.6 | - | - | 18.3 | 18.0 | - | - | 195.6 | 192.6 |

* Should no further particulars be given, values referring to the income statement concern the first half-year, and balance sheet values the cut-off dates 30 June 2022 and 31 December 2021.

1 As a percentage of target rental income, cumulative as at cut-off date

2 Rental income minus real estate expenses

3 Rental earnings as a percentage of continued market value as at 1 January

4 From revaluation in first half-year 2022 or 2021, respectively

Key share data

| | | 1st half-year 2022 as at 30.06.2022 | 1st half-year 2021 as at 31.12.2021 |
|--|---------------------|--|--|
| Issued share capital on cut-off date | CHF million | 16.6 | 16.6 |
| Approved capital on cut-off date | CHF million | 1.0 | 0.4 |
| Conditional capital on cut-off date | CHF million | 0.5 | 1.2 |
| Issued shares on cut-off date | number | 16 592 821 | 16 592 821 |
| Treasury shares on cut-off date | number | 69 006 | 70 752 |
| Outstanding shares on cut-off date ¹ | number | 16 523 815 | 16 522 069 |
| Average of outstanding shares | number | 16 523 054 | 15 833 846 |
| Market price high | CHF | 208.50 | 206.00 |
| Market price low | CHF | 151.80 | 179.20 |
| Market price on cut-off date | CHF | 157.80 | 202.00 |
| Market capitalisation on cut-off date ² | CHF million | 2 607.5 | 3 337.5 |
| Average trading volume per day (on-exchange) | number of shares | 24 045 | 28 537 |

1 Number of shares issued minus treasury shares

2 Share price on cut-off date multiplied by the number of outstanding shares on cut-off date

Share statistics

| Share type | Registered share |
|-------------------------|------------------|
| Nominal value per share | CHF 1.00 |
| Securities number | 883 756 |
| SIX symbol | ALLN |
| ISIN | CH0008837566 |
| Bloomberg | ALLN SW |
| Reuters | ALLN. S |

Shareholder structure as at 30 June 2022

| Number of shares | Number of shareholders | Number of shares | % |
|-------------------------|---------------------------|---------------------|---------------|
| > 497 784 shares (> 3%) | 4 | 3 532 277 | 21.3% |
| 100 001–497 784 shares | 20 | 5 299 875 | 31.9% |
| 10 001–100 000 shares | 84 | 2 437 316 | 14.7% |
| 1001–10 000 shares | 368 | 1 070 371 | 6.5% |
| 1–1000 shares | 4 365 | 801 415 | 4.8% |
| Total registered | 4 841 | 13 141 254 | 79.2% |
| Not registered | | 3 451 567 | 20.8% |
| Total shares | | 16 592 821 | 100.0% |

30.5% of the share capital is owned by pension funds and insurance companies and 14.9% by natural persons. A further 33.8% is owned by other legal entities as well as funds, investment companies, foundations and banks. 20.8% of the share capital has not been submitted for registration in the share register. Foreign investors own 8.8% (registered shares).

The treasury shares held by Allreal are taken into account in the total number of shares entered.

Organisation and schedule

Structure and addresses

Allreal Holding AG Allreal Finanz AG

Grabenstrasse 25, 6340 Baar

Allreal Home AG
 Allreal Office AG
 Allreal Toni AG
 Allreal Vulkan AG
 Allreal West AG
 Apalux AG
 Bülachguss AG
 Allreal Generalunternehmung AG
 Lindbergh-Allee 1, 8152 Glattpark

Creactive Properties SA
 Immologic Properties SA
 SI Grand-Pré 57 SA
 Société Immobilière Avenir-Levant SA
 Société Anonyme Vermont-Parc
 Trebla SA lettre A
 Serenity OpCo Holding SA
 Elevate SA
 Immologic Sàrl
 Immologic Promotions Sàrl
 Roof SA
 Route de Saint-Julien 198
 1228 Plan-les-Ouates

Immologic Promotion
 Chavannes SA
 Avenue de la Gare 84B
 1022 Chavannes-près-Renens

Organisation chart

Allreal Group
 Roger Herzog

Berne
 Manuel Otter

Romandie
 Anne-Marie Loeillet

**Finance &
 Controlling**
 Thomas Wapp

Sustainability
 David Guthörl

**Human
 Resources**
 Barbara Tomezzoli

Communications
 Reto Aregger

**Internal owner
 organisation**
 Angelo Moser

**Sales /
 Contracting**
 Peter Pantucek

Internal Auditing
 Bruno Schelling

Real Estate
 Alain Paratte

Projects & Development

**Portfolio
 management**
 Philipp Ricklin

**Building
 Management**
 Mathias Knellwolf

**Real Estate
 Management**
 Claudine Engeli

Development
 Stefan Dambacher

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Schedule

Annual results 2022
 1 March 2023

Annual general meeting 2023
 21 April 2023

Half-year results 2023
 30 August 2023

Share register

Responsibility for address changes and other changes in the share register lies with:

areg.ch ag
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www.areg.ch

Reporting by financial analysts

The Allreal Group is valued and analysed by the following banks, among others:

Equity research

Baader Helvea
Bank Vontobel
Research Partners
Zürcher Kantonalbank

Credit research

Credit Suisse
UBS
Zürcher Kantonalbank

Allreal Half-year Report 2022

Management report

Financial report

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