




# CREATIVITY & CONNECTIVITY

February 2024





This presentation may contain forward-looking information about future events or Allied's future performance. This information, by its nature, is subject to risks and uncertainties that may cause actual events or results to differ materially, including those described under the heading "Risk Factors" in our most recently filed AIF and the heading "Risks and Uncertainties" in our most recently filed Annual Report. Material assumptions that underpin any forward-looking statements we make include those described under "Forward-Looking Statements" in our MD&A for the fourth quarter of 2023.



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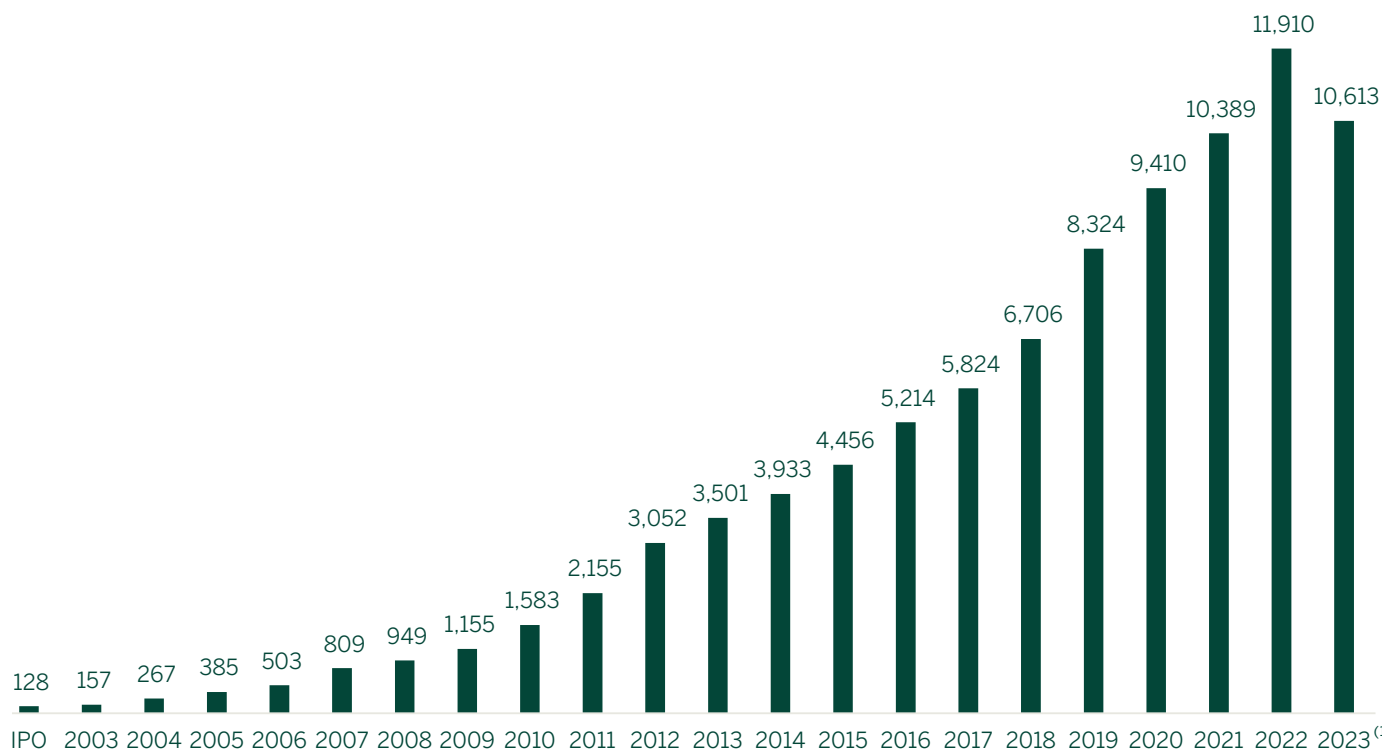
## INVESTMENT HIGHLIGHTS

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- At the forefront of urban intensification in Canada's major cities
- Fully internalized and entrepreneurial management team
- Strong growth platform
- Strong financial foundation
- 23.7% compound annual growth rate on total assets
- 9.7% average annual total return



## PORTFOLIO GROWTH - TOTAL ASSETS (M)



**128M**

IPO

**10.6B**

Q4 2023

**23.7%**

CAGR<sup>(2)</sup>

(1) As at December 31, 2023.

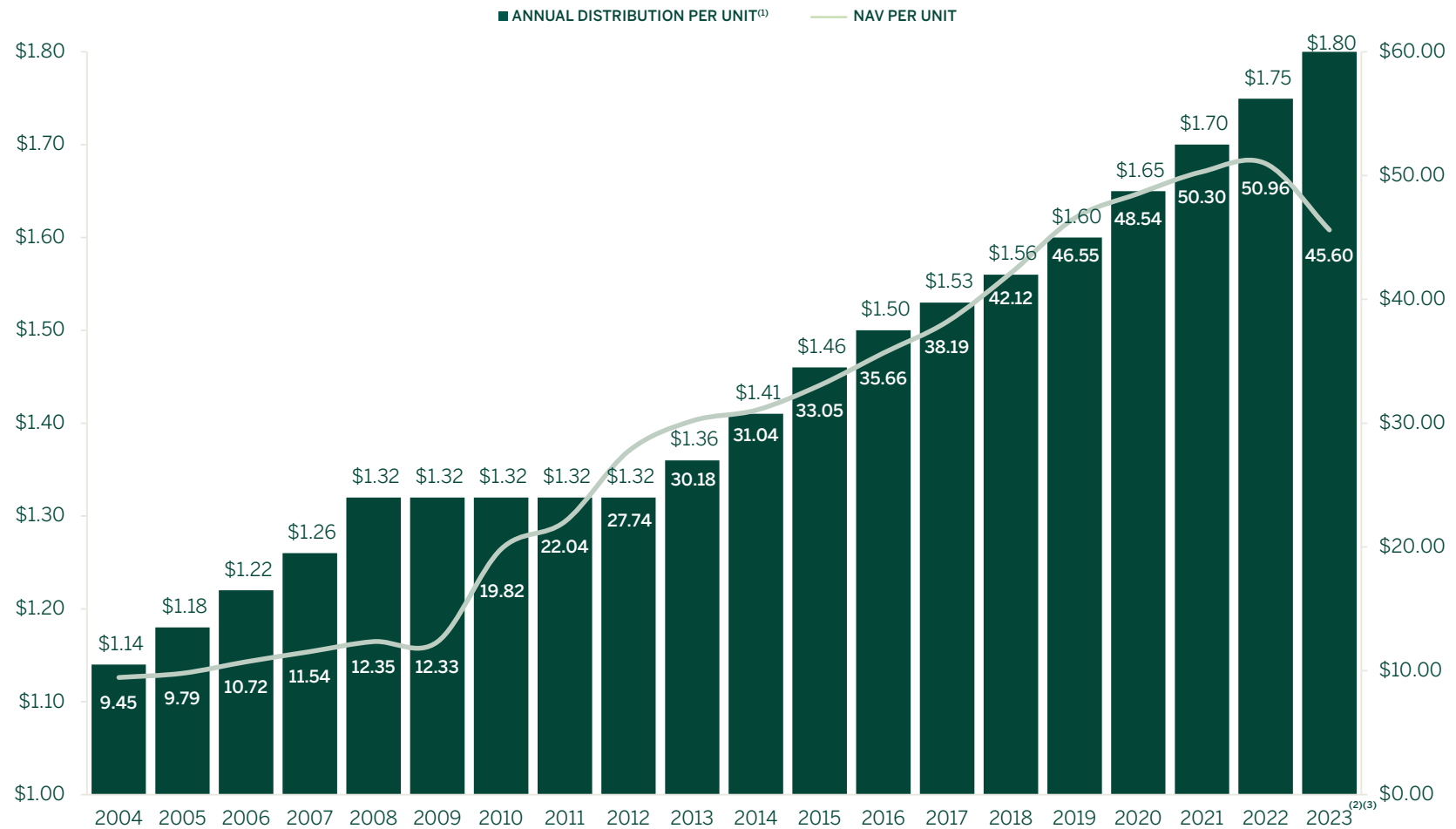
(2) CAGR is the compound annual growth rate on total assets on a proportionate basis.

Values up to December 31st, 2009 are based on financial reporting prepared in accordance with previous Canadian GAAP standards.

Values after that date are reported in accordance with International Financial Reporting Standards (IFRS), on a proportionate basis.



## FOCUSED ON INCREASING OUR DISTRIBUTION AND GROWING OUR NAV PER UNIT OVER TIME



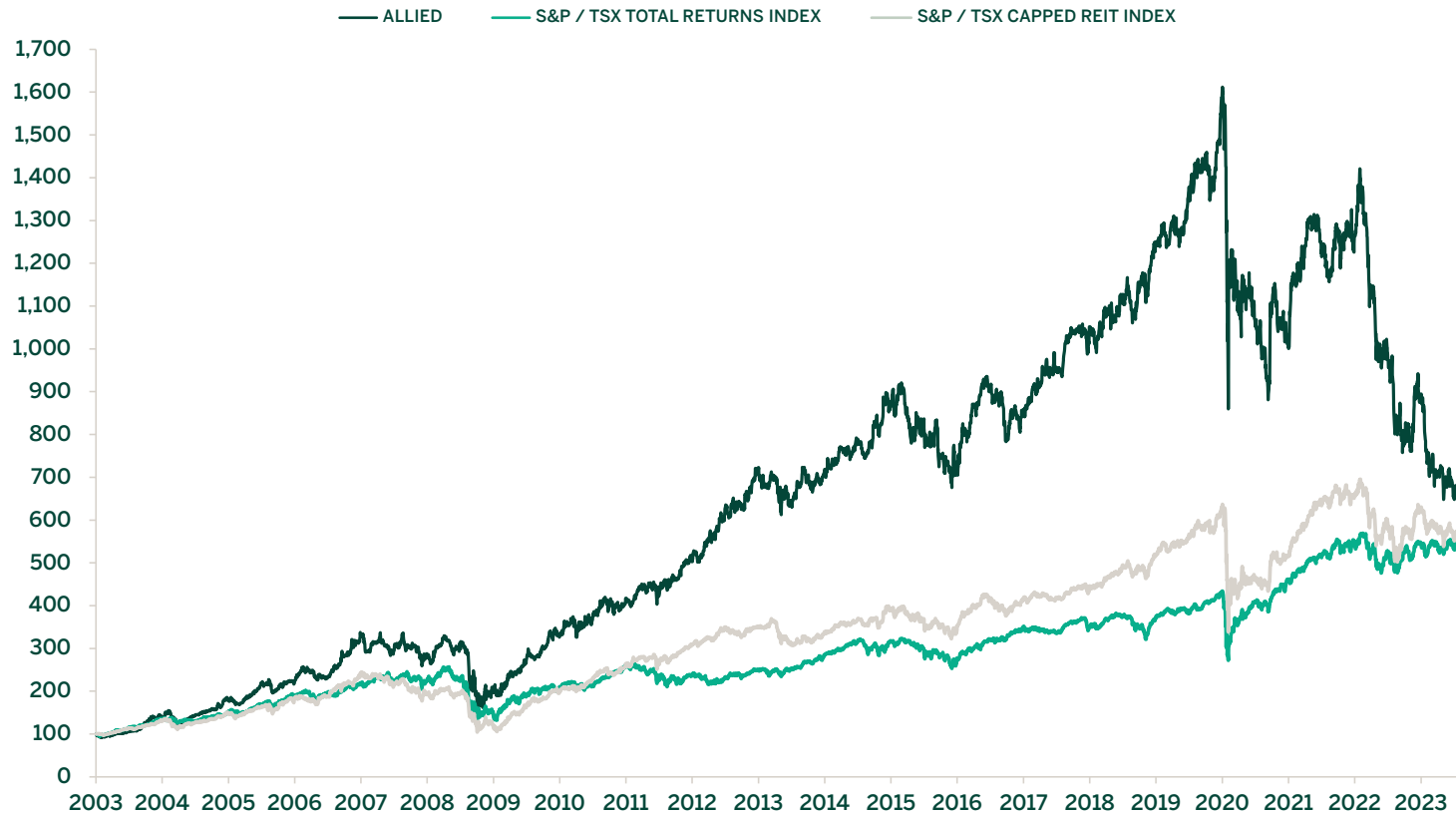
(1) Annual distribution rate in place at March 15 (from 2004 to 2008), at December 15 (from 2012 to 2018), and at January 15 (from 2020 to 2023).

(2) Net Asset Value ("NAV") per unit as at December 31, 2023. See Appendix on page 59 for NAV per unit definition.

(3) On January 15, 2024, Allied announced the declaration of a distribution of \$0.15 per unit for the month of January 2024, representing \$1.80 per unit on an annualized basis.



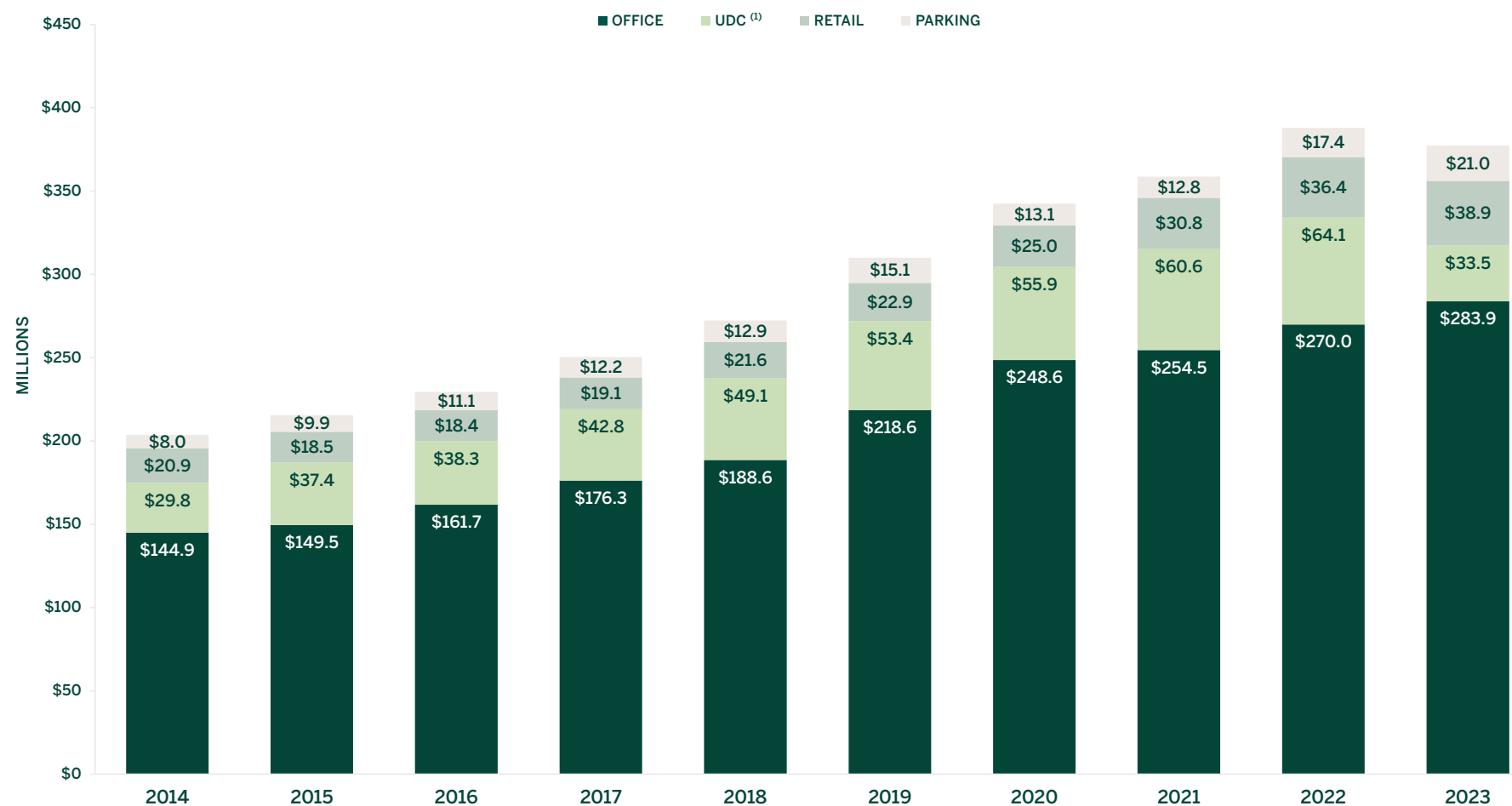
# RETURNS TO UNITHOLDERS TOTAL RETURN INDEX



**9.7%**  
AVERAGE ANNUAL  
TOTAL RETURN

Source: Bloomberg as at December 31, 2023.

## FOCUSED ON OPERATING DISTINCTIVE URBAN WORKSPACES: NOI BY SPACE TYPE (IN \$M)



(1) The Urban Data Centre portfolio was sold to KDDI Corporation for \$1.35 billion in August 2023.

Net Operating Income ("NOI") is a non-GAAP measure, see Appendix on page 60 for NOI definition.  
As at December 31, 2023.





**ALLIED**

Strategy

## CONSOLIDATION OF URBAN OFFICE PROPERTIES

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- Close to core
- Distinctive
- Lower occupancy costs



# 35-39 Front Street East

*Toronto*

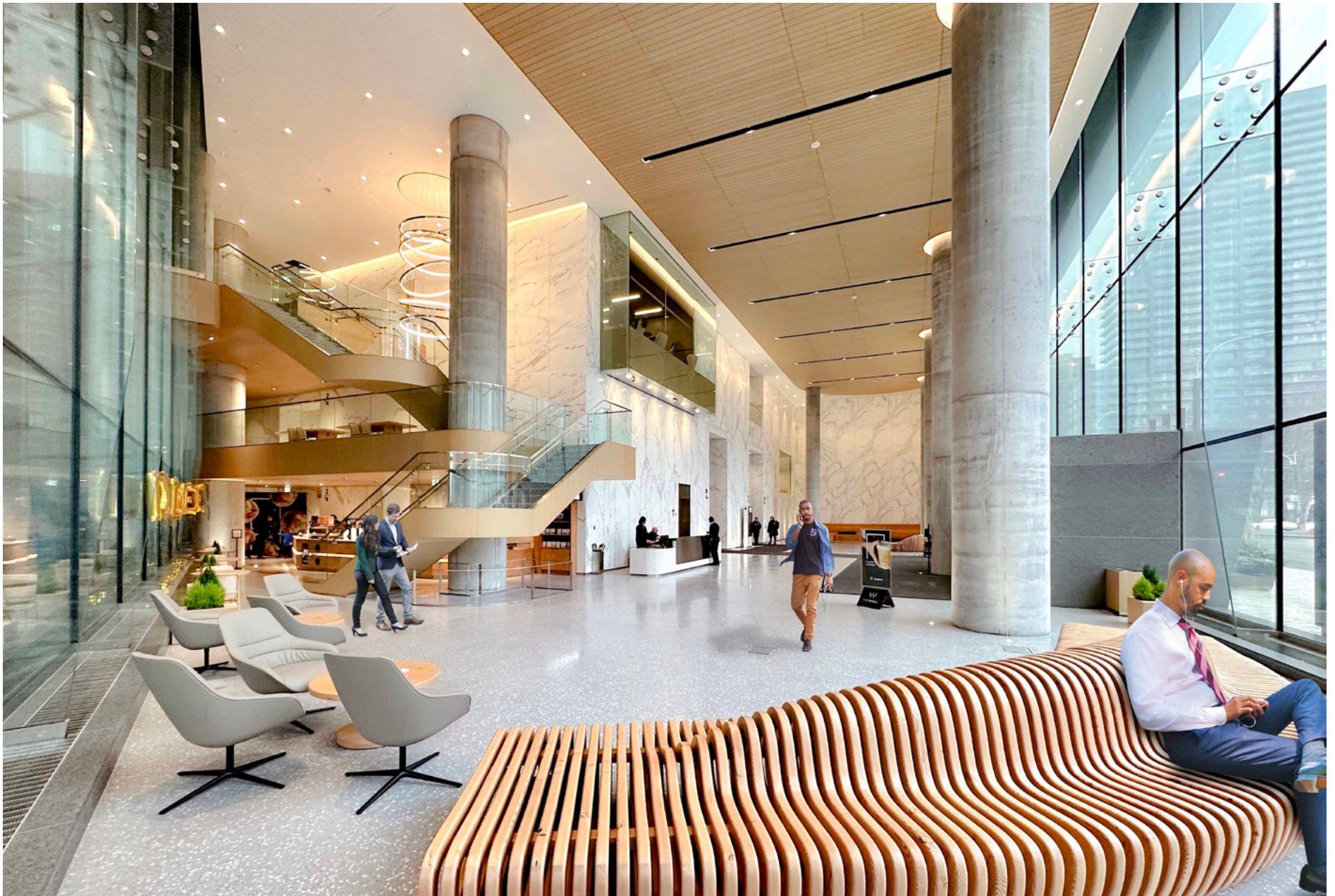




# 500-522 King West

*Toronto*





















## INTENSIFICATION OF URBAN OFFICE PROPERTIES

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- Underutilized land
- Additional rentable area with low land cost
- Value creation





# Intensification of QRC West

*Toronto*





# Intensification of The Breithaupt Block

*Kitchener*





# King Portland Centre

*Toronto*



**ALLIED**

Rental Portfolio

# PREFERRED PROVIDER OF WORKSPACE IN THE CANADIAN URBAN MARKET

## 201 RENTAL PROPERTIES VALUED AT \$8.5B <sup>(1)</sup>

(Not including Properties Under  
Development valued at \$1.0B) <sup>(1)</sup>

TOTAL RENTAL PORTFOLIO GLA  
**14.9M<sub>SF</sub>**

**VANCOUVER**  
**1.0M<sub>SF</sub>**

ALLIED OCCUPANCY	89.2%
MARKET OCCUPANCY <sup>(2)</sup>	91.8%
PROPERTIES	13

**CALGARY**  
**1.3M<sub>SF</sub>**

ALLIED OCCUPANCY	76.1%
MARKET OCCUPANCY <sup>(2)</sup>	74.6%
PROPERTIES	30

**KITCHENER**  
**709K<sub>SF</sub>**

ALLIED OCCUPANCY	74.6%
MARKET OCCUPANCY <sup>(2)</sup>	71.1%
PROPERTIES	6
ANCILLARY PARKING FACILITY	1

**OTTAWA**  
**231K<sub>SF</sub>**

ALLIED OCCUPANCY	98.9%
MARKET OCCUPANCY <sup>(2)</sup>	89.4%
PROPERTIES	2

**TORONTO**  
**5.4M<sub>SF</sub>**

ALLIED OCCUPANCY	86.3%
MARKET OCCUPANCY <sup>(2)</sup>	83.6%
PROPERTIES	108
ANCILLARY PARKING FACILITIES	10

**MONTRÉAL**  
**6.3M<sub>SF</sub>**

ALLIED OCCUPANCY	89.2%
MARKET OCCUPANCY <sup>(2)</sup>	85.1%
PROPERTIES	31

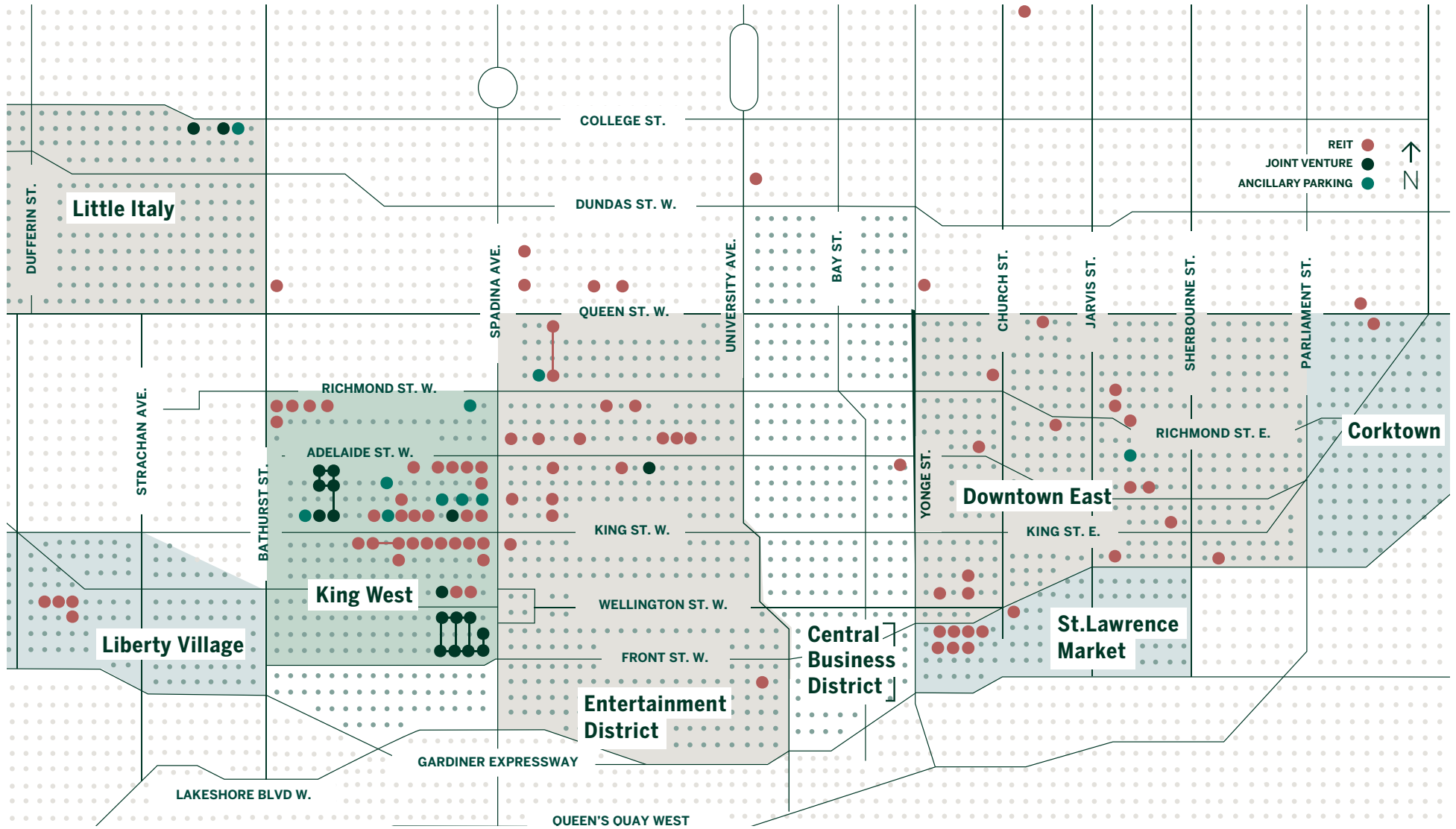
(1) The rental properties and properties under development values are on a proportionate basis, which are non-GAAP measures.

(2) Source: cbre.ca, CBRE Office Figures reports.



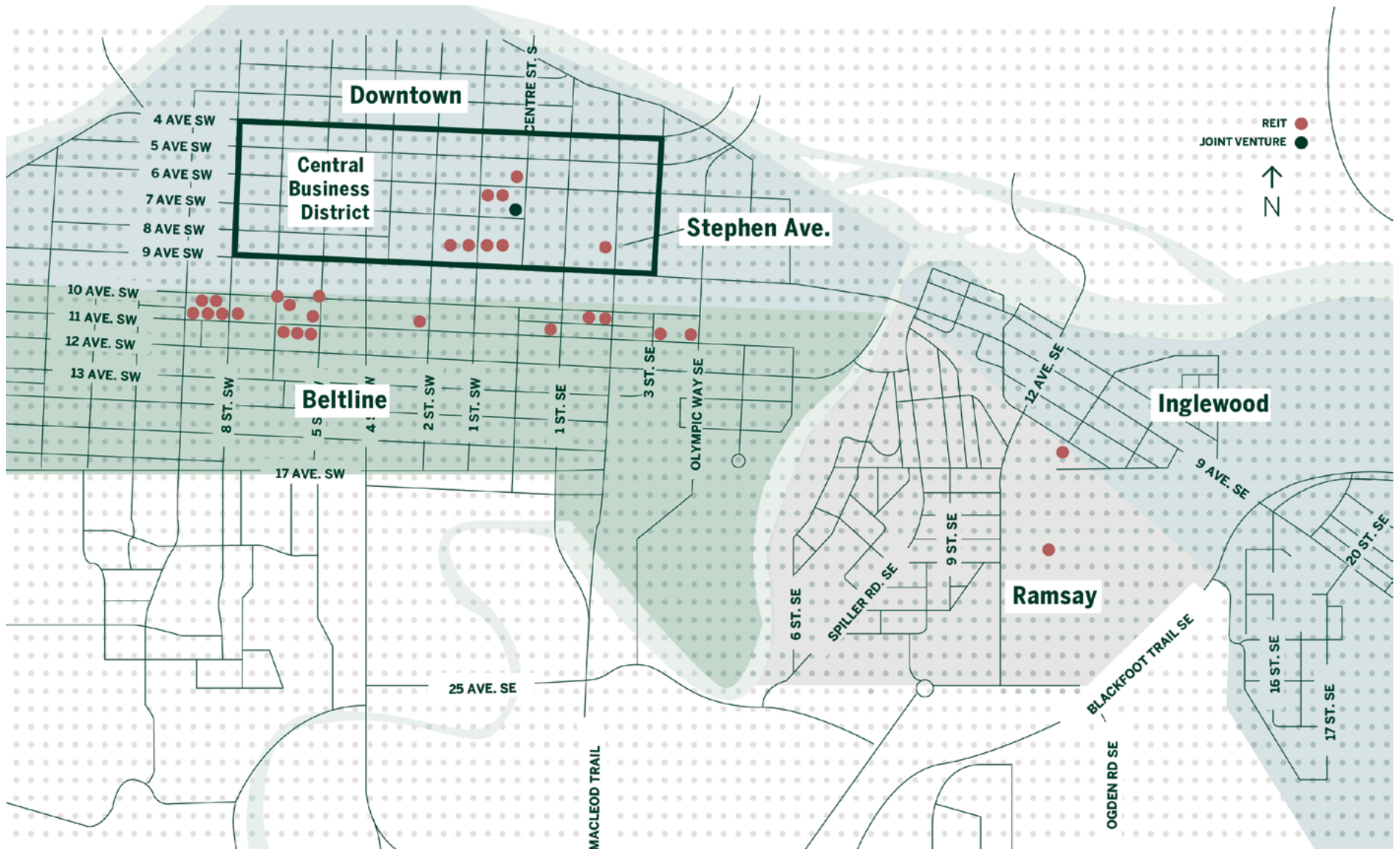


# TORONTO PORTFOLIO

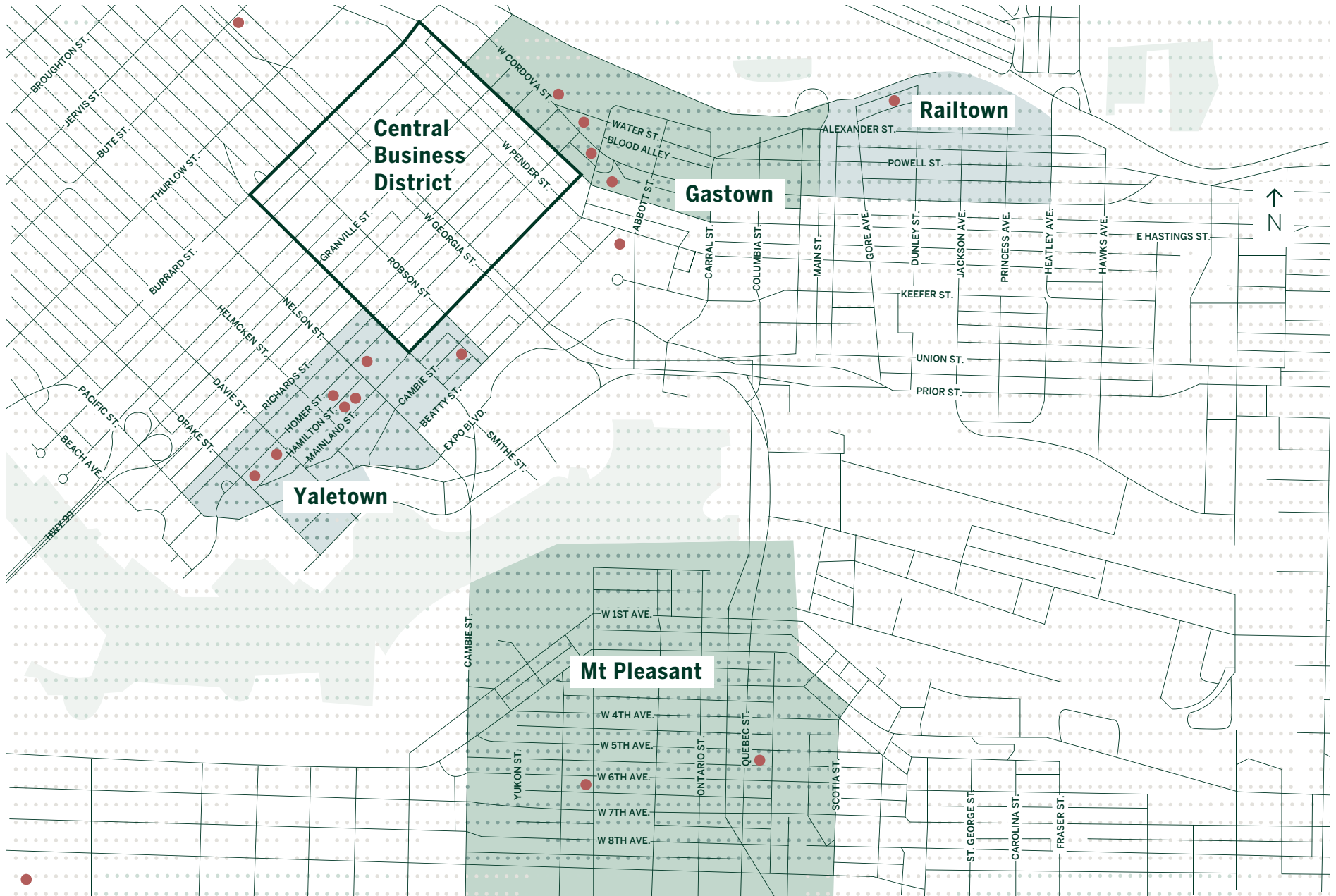




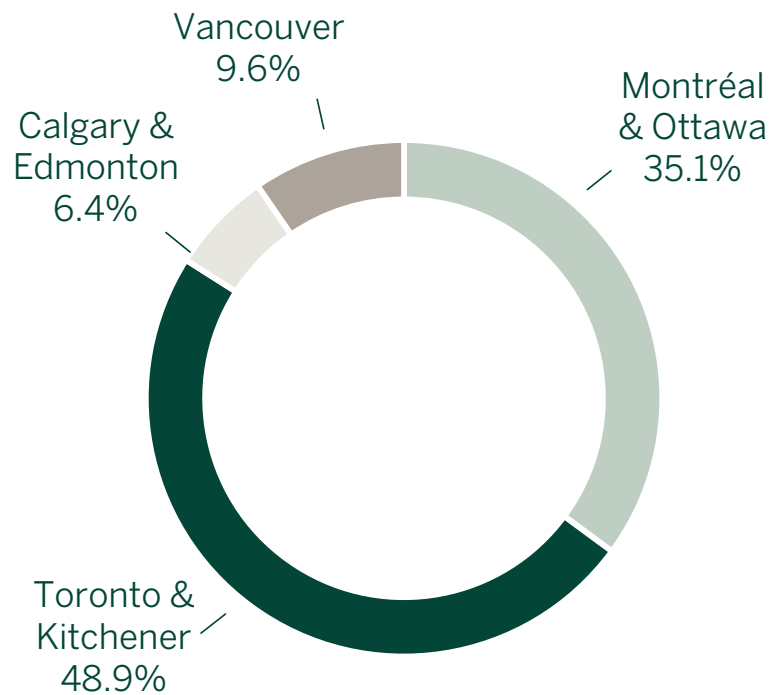
# CALGARY PORTFOLIO



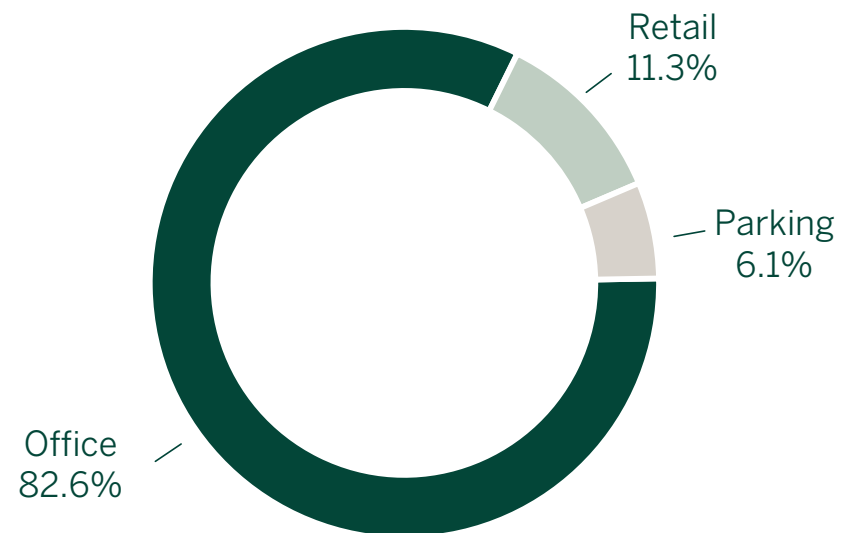
# VANCOUVER PORTFOLIO



## NOI BY SEGMENT



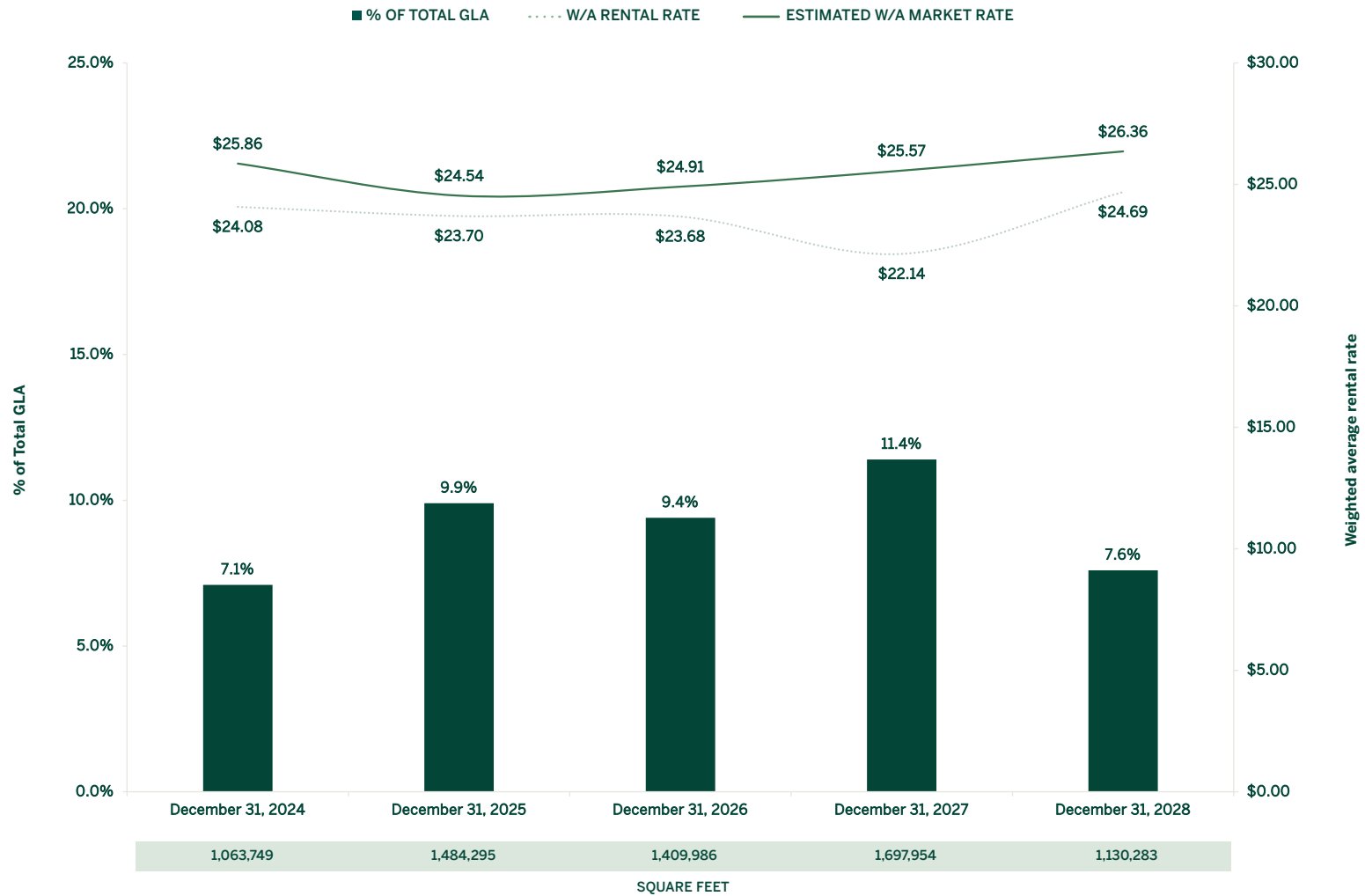
## NOI BY USE



For the year ended December 31, 2023.

NOI is a non-GAAP measure, see Appendix on page 60 for definition.

# LEASE MATURITIES - URBAN WORKSPACE

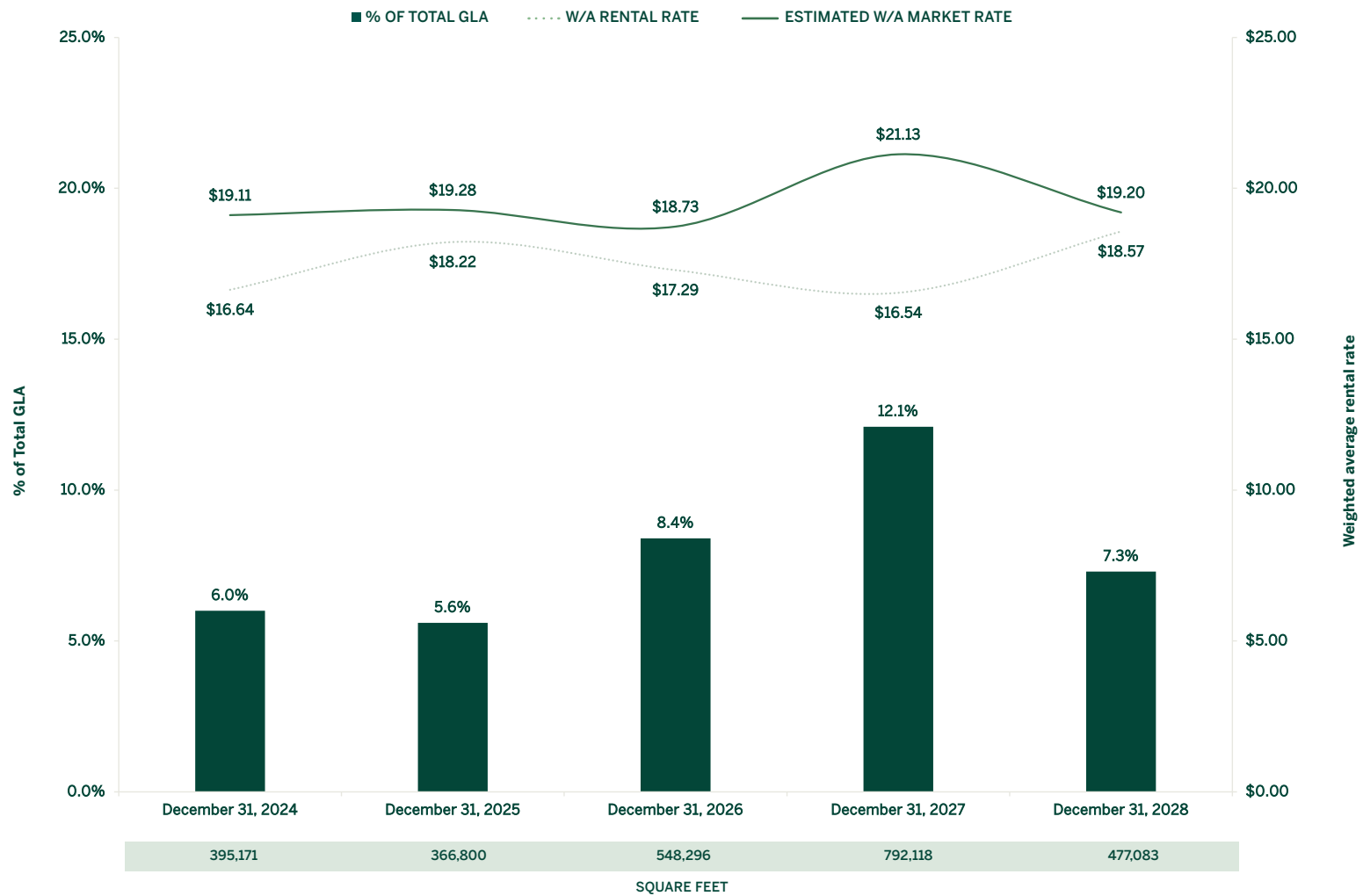


As of December 31, 2023.

This page contains forward-looking information.



# LEASE MATURITIES - URBAN WORKSPACE MONTRÉAL AND OTTAWA



As of December 31, 2023.

This page contains forward-looking information.

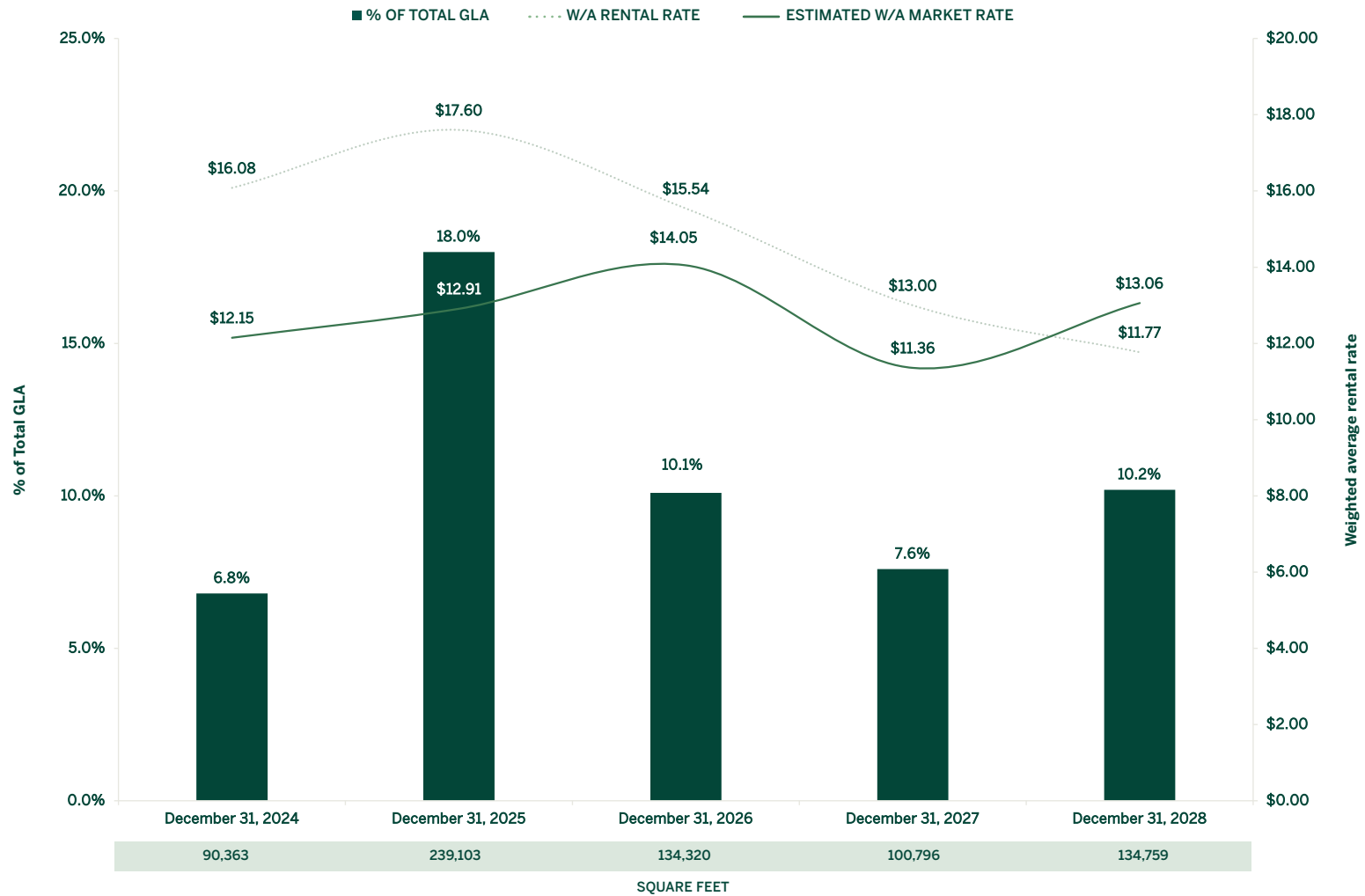
# LEASE MATURITIES - URBAN WORKSPACE TORONTO AND KITCHENER



As of December 31, 2023.

This page contains forward-looking information.

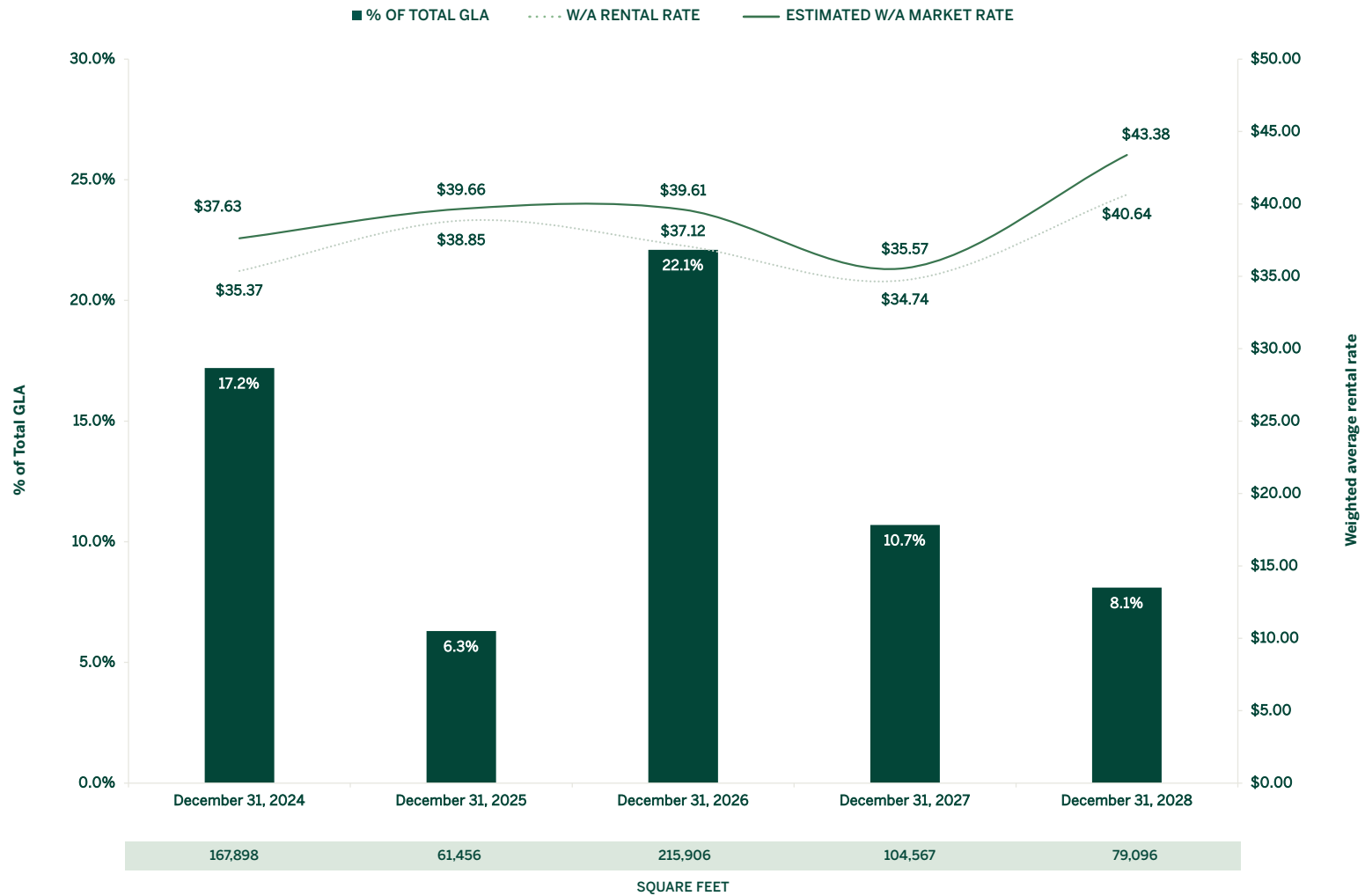
# LEASE MATURITIES - URBAN WORKSPACE CALGARY



As of December 31, 2023.  
This page contains forward-looking information.



# LEASE MATURITIES - URBAN WORKSPACE VANCOUVER



As of December 31, 2023.

This page contains forward-looking information.

## TOP-TEN USERS

USER	SECTOR	% RENTAL REVENUE <sup>(1)</sup>	% TOTAL GLA
<b>UBISOFT DIVERTISSEMENTS INC.</b>	Media and Entertainment	3.2%	3.6%
<b>GOOGLE CANADA CORPORATION</b>	Telecommunications/IT	2.7%	3.2%
<b>SHOPIFY INC.</b>	Telecommunications/IT	2.6%	1.8%
<b>SOCIÉTÉ QUÉBÉCOISE DES INFRASTRUCTURES</b>	Government	1.9%	1.9%
<b>TMG MACMANUS CANADA INC.</b>	Media and Entertainment	1.7%	1.8%
<b>MORGAN STANLEY SERVICES CANADA CORP</b>	Financial Services	1.7%	1.5%
<b>NATIONAL CAPITAL COMMISSION</b>	Government	1.5%	1.3%
<b>NATIONAL BANK OF CANADA</b>	Financial Services	1.3%	1.3%
<b>TECHNICOLOR CANADA INC.</b>	Media and Entertainment	1.3%	1.0%
<b>UNITY TECHNOLOGIES CANADA COMPANY</b>	Media and Entertainment	1.2%	1.1%
		<b>19.1%</b>	<b>18.5%</b>

**49%**  
2003

**19.1%**  
Q4 2023

(1) The rental revenue is on a proportionate basis, which is a non-GAAP measure. See Appendix on page 59 for definition.

As at December 31, 2023.





**ALLIED**

Development Portfolio

## DEVELOPMENT PROJECTS

DEVELOPMENTS	TRANSFER TO RENTAL PORTFOLIO	ESTIMATED GLA	ESTIMATED ANNUAL NOI <sup>(2)</sup>	% OF OFFICE DEVELOPMENT PRE-LEASED
THE WELL <sup>(1)(3)</sup>	Q3 2022 - Q2 2024	763,000	\$40.4M	98%
700 SAINT HUBERT <sup>(3)</sup>	Q3 2023 - Q2 2024	144,114	\$5.1M	70%
ADELAIDE & DUNCAN <sup>(1)(3)</sup>	Q4 2023 - Q4 2024	230,000	\$11.0M	100%
QRC WEST, PHASE II	Q2 2024	93,134	\$4.7M	100%
108 EAST 5TH AVENUE <sup>(1)</sup>	Q1 2025	102,000	\$4.5M	54%
KING TORONTO <sup>(1)</sup>	Q4 2025	100,000	\$5.5M	—
810 SAINT ANTOINE	TBD	380,000	TBD	N/A
365 RAILWAY	TBD	60,000	TBD	—
REDEVELOPMENTS	Q2 2024 - Q1 2025	1,219,105	\$25.9M	—
<b>TOTAL</b>		<b>3,091,353</b>	<b>\$97.0M</b>	<b>81%</b>

**81%**  
**PRE-LEASED**

(1) Co-ownership

(2) Estimated annual NOI is based on the mid-point of the range.

(3) A portion of the property has been transferred to the rental portfolio. The information in the table includes both the rental and development portions.

This page contains forward-looking information.

Estimated NOI from development completion is based on stabilized occupancy and in the first year its impact will be moderated by the discontinuation of capitalized interest. NOI is a non-GAAP measure, see Appendix on page 60 for definition.



## FUTURE DEVELOPMENT

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### ZONING APPROVAL COMPLETED AND IN PROGRESS

	ESTIMATED
	GLA
<b>Toronto</b>	
THE CASTLE	440,000
KING & PETER	790,000
KING & SPADINA	430,000
KING & BRANT	240,000
UNION CENTRE	1,330,000
BATHURST STREET ASSEMBLY	318,000
ADELAIDE & SPADINA	230,000
	3,778,000

### Montréal

LE NORDELEC - LOT A	230,000
LE NORDELEC - LOT B	744,000
LE NORDELEC - LOT E	135,000
	1,109,000
<b>TOTAL</b>	<b>4,887,000</b>

### TOTAL POTENTIAL INCREMENTAL DENSITY <sup>(1)</sup>

	ESTIMATED
	GLA
TORONTO	6,079,112
KITCHENER	332,616
MONTRÉAL	1,841,945
CALGARY	1,434,755
VANCOUVER	312,923
	10,001,351

(1) Includes zoning approval completed and in progress, and predicted zoning.

This page contains forward-looking information.



# The Well

*Toronto*





# 700 Saint Hubert

*Montréal*





# Adelaide & Duncan

*Toronto*





# QRC West Phase II

*Toronto*





# 108 East 5th Avenue

*Vancouver*





# KING Toronto

*Toronto*





# 365 Railway

*Vancouver*





# 400 West Georgia

*Vancouver*



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Risk Management

## DEVELOPMENT

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- 15% limitation on development
- Pre-leasing
- Partial monetization
- Financial management
- Collaboration



## BALANCE SHEET

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- Low leverage
- Long-term, fixed-rate debt
- Net debt as a multiple of adjusted EBITDA ratio of 8.1x
- Total indebtedness ratio 34.7%
- Interest coverage ratio of 2.5x<sup>(1)</sup>

(1) Interest coverage ratio includes capitalized interest and excludes financing prepayment costs for the twelve months trailing.

The above ratios are non-GAAP measures defined in the Appendix on pages 60 and 61 calculated as at December 31, 2023.

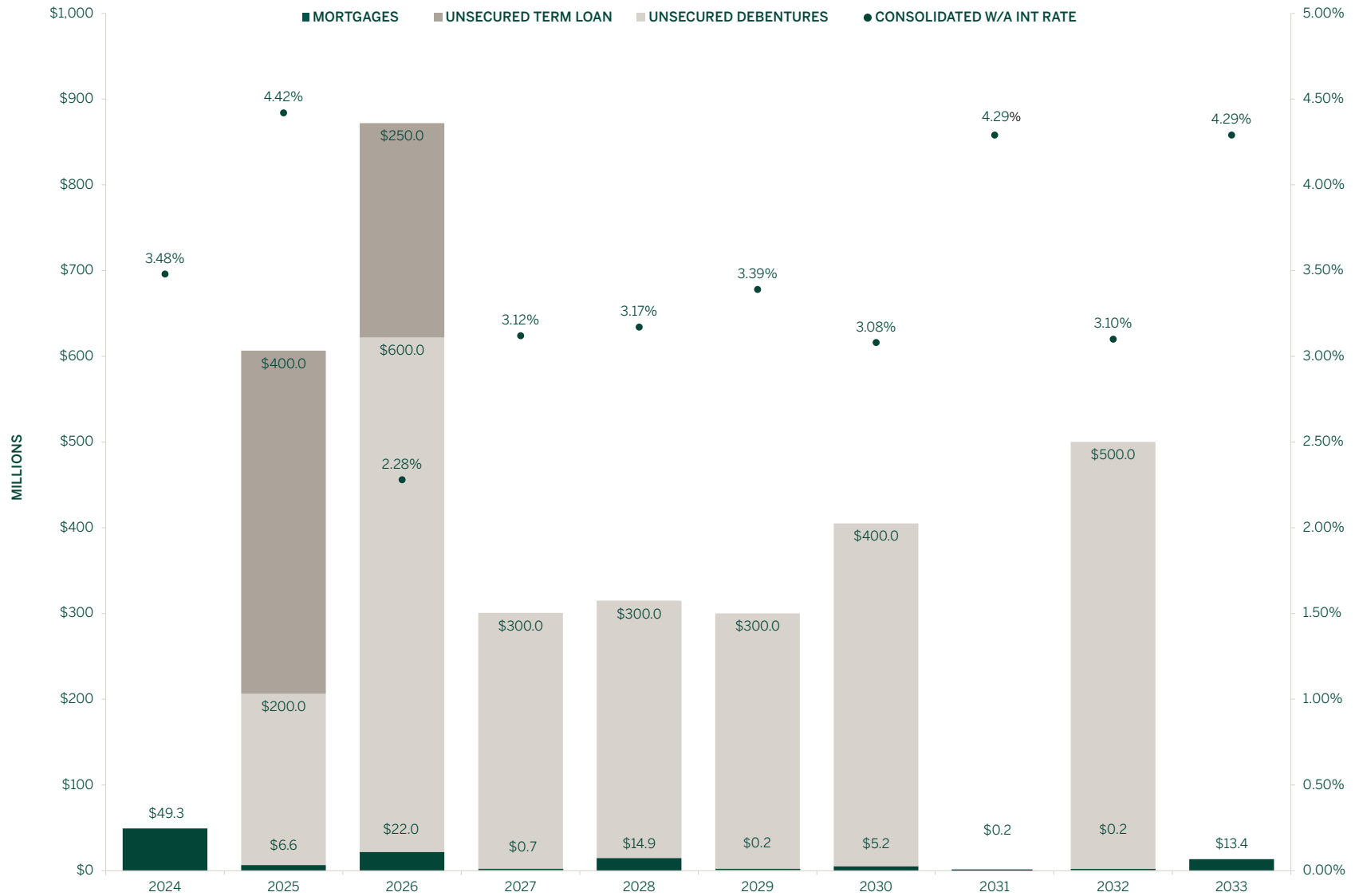
# FINANCIAL COVENANTS

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## SENIOR UNSECURED DEBENTURES

COVENANT	THRESHOLD	DECEMBER 31, 2023
PRO FORMA INTEREST COVERAGE RATIO	Maintain a 12-month rolling consolidated pro forma EBITDA of at least 1.65 times pro forma interest expense	3.0x
PRO FORMA ASSET COVERAGE TEST	Maintain net consolidated debt below 65% of net aggregate assets on a pro forma basis	34.8%
EQUITY MAINTENANCE	Maintain Unitholders' equity above \$300,000	\$6,135,079
PRO FORMA UNENCUMBERED NET AGGREGATE ADJUSTED ASSET RATIO	Maintain pro forma unencumbered net aggregate adjusted assets above 1.4 times consolidated unsecured indebtedness	3.0x

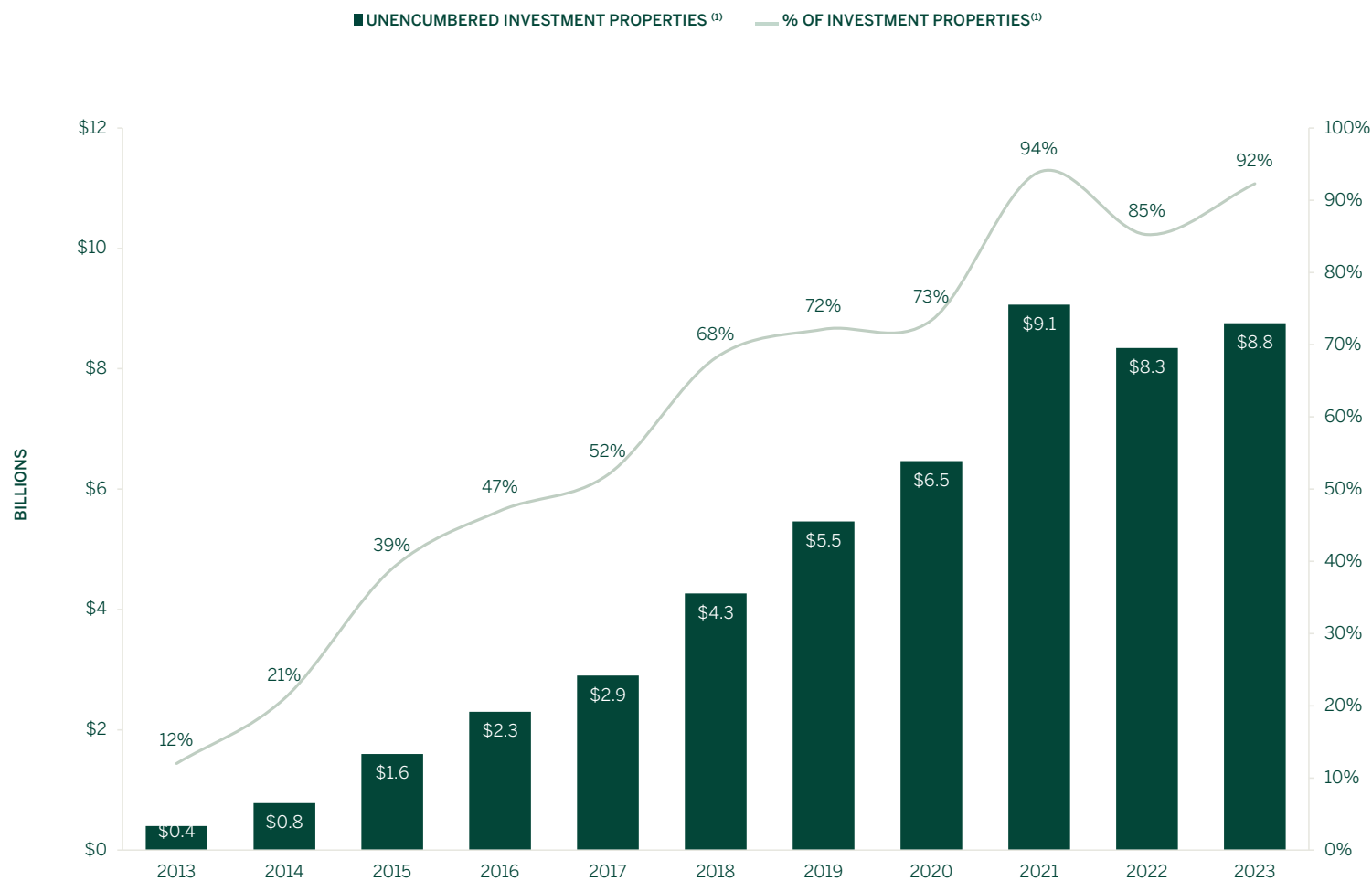
# DEBT MATURITY CHART



This chart summarizes the principal payable on debt obligations as at December 31, 2023.



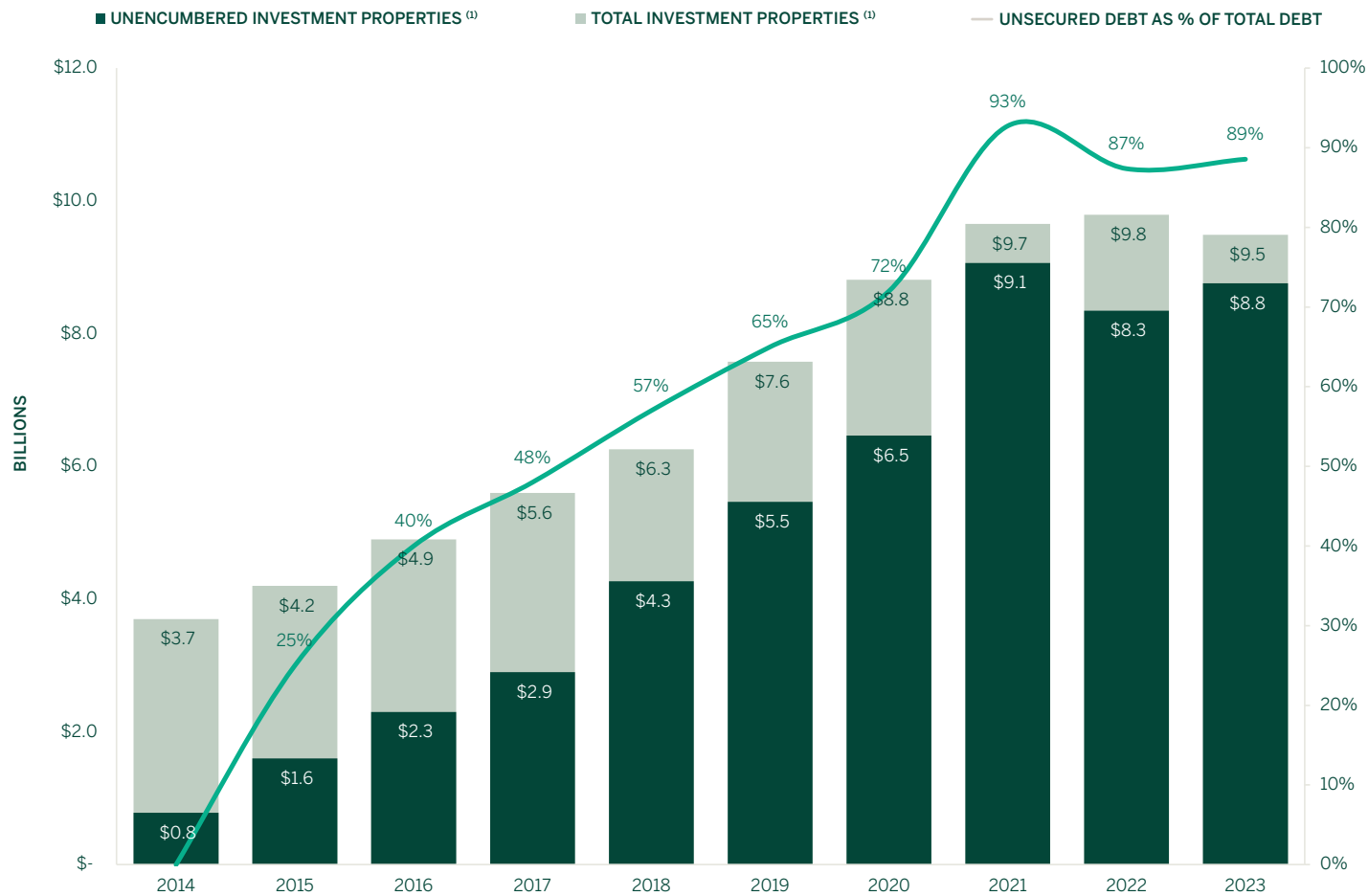
# UNENCUMBERED INVESTMENT PROPERTIES



(1) Unencumbered investment properties is a non-GAAP measure as defined in the Appendix on page 60. The percentage of unencumbered investment properties is on a proportionate basis.

As at December 31, 2023.

# MAXIMIZING FLEXIBILITY WHILE STRENGTHENING THE BALANCE SHEET



## CREDIT RATINGS

Investment grade since 2014



**BBB**  
Stable

(1) Unencumbered investment properties is a non-GAAP measure as defined in the Appendix on page 60. Total investment properties is on a proportionate basis.

As at December 31, 2023.



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Environmental, Social & Governance (ESG)



## 2022 ESG PERFORMANCE

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ENERGY USE INTENSITY (EUI)

13%↓

reduction from 2019 baseline



GREENHOUSE GAS INTENSITY (GHGI)

11%↓

reduction from 2019 baseline

75%

of workforce participated in  
professional development



WATER USE INTENSITY (WUI)

31%↓

reduction from 2019 baseline



WASTE DIVERSION

2%↑

increase from 2019 baseline

89%

of employees feel people are  
treated equally regardless  
of race/ethnicity and gender

# ENVIRONMENTAL HIGHLIGHTS

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## **OUTPERFORMED 2024 TARGETS**

Allied continued to exceed its 2024 reduction targets for Energy Use Intensity (EUI), Greenhouse Gas Intensity (GHGI) and Water Use Intensity (WUI).

## **CONTINUED TO IMPROVE GRESB SCORES**

In its 2023 GRESB assessment, Allied achieved a score of 85/100 for its standing investments and a score of 87/100 for its developments, representing continuous improvement overall.

## **DEVELOPED AN INTERNAL PRICE OF CARBON**

Allied established its shadow price of carbon to support financial analysis and decision-making for all new investment, development and retrofit opportunities by assigning a monetary value to every tonne of carbon emitted.

## **ESTABLISHED 70% CERTIFICATION TARGET FOR STANDING PORTFOLIO**

Allied will certify an additional 8.1 million square feet to LEED and/or BOMA BEST by 2028, at a cost of \$0.09/square foot, increasing its certification percentage from 27% to 70% across the portfolio.

## **COMMITTED TO GREEN FINANCING**

Allied established its Green Financing Framework in 2021 and issued two green bonds in 2021 totaling \$1.1 billion. In December 2022, Allied obtained a \$75 million sustainability-linked construction lending facility, at its share, for the development of 108 East 5th Avenue in Vancouver. On this construction lending facility, Allied exceeded one of the sustainability performance targets for 2023, as more than 10% of individuals in its construction and construction-related labour identified themselves as equity deserving groups.<sup>(1)</sup>

(1) Equity deserving groups include Indigenous people, racialized communities, recent immigrants and refugees, disabled persons, members of the 2SLGBTQIA+ community, veterans, youth aged 29 and under, and people who identify as having experienced barriers to economic opportunity and participation.

## SOCIAL AND GOVERNANCE HIGHLIGHTS

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### **RECOGNIZED AS A CANADIAN “BEST EMPLOYER” IN 2023**

Since 2020, Allied has engaged Kincentric to conduct a third-party employee engagement survey. Allied was recognized as a “Best Employer” in 2020, 2021 and 2023.

### **OUTPERFORMED PEERS IN USER EXPERIENCE ASSESSMENT RATINGS**

In October 2023, Allied completed its annual third-party User Experience Assessment Survey. Results demonstrated year-over-year progress, with improved ratings in key areas and an overall increase in user satisfaction.

### **CO-HOSTED INDIGENOUS RELATIONS IN REAL ESTATE DEVELOPMENT SERIES**

Allied partnered with ULI Toronto, Shared Path and Westbank to deliver a workshop series for leaders in the industry to advance their understanding of colonization and its impact on Indigenous Peoples, and to start exploring opportunities to collaborate in real estate development.

### **BROADENED THE REACH OF ESG-LINKED PERFORMANCES GOALS TO ALL EMPLOYEES**

Allied extended the use of its corporate scorecard from executive officers to all employees. Allied's corporate scorecard contains four ESG goals, linking performance to Allied's ESG priorities.

### **COMPLETED INAUGURAL THREE-YEAR EQUITY, DIVERSITY AND INCLUSION (EDI) ROADMAP**

Allied is continuing to cultivate an environment that advances equity, reflects diversity and demonstrates inclusivity by completing its inaugural three-year EDI Roadmap and developing its second EDI Roadmap.





# Massey Hall

*Toronto*



**ALLIED**

Appendix Definitions

## CERTAIN DEFINITIONS AND NON-GAAP MEASURES

Readers are cautioned that certain terms used in the investor presentation listed below, including any related per Unit amounts, used by Management of Allied to measure, compare and explain the operating results and financial performance of Allied do not have any standardized meaning prescribed under IFRS and, therefore, should not be construed as alternatives to net income, cash flow from operating activities, or any other measure prescribed under IFRS. These terms are defined below. The following terms do not have a standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other publicly traded entities. Refer to the Non-GAAP Measures section on page 16 of the MD&A as at December 31, 2023, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), to find reconciliations of the Non-GAAP Measures to their most comparable IFRS measures. Such reconciliations are incorporated by reference herein.

### PROPORTIONATE BASIS

Proportionate basis is a non-GAAP financial measure representing Allied's proportionate share of equity accounted investments. Allied applies the equity method of accounting to its joint venture, TELUS Sky, as prescribed under IFRS. Management presents the proportionate share of its interests in joint arrangements that are accounted for using the equity method as it is viewed as relevant in demonstrating Allied's performance and is the basis of many of Allied's key performance measures.

### NET ASSET VALUE PER UNIT ("NAV PER UNIT")

Prior to Allied's conversion to an open-end trust, NAV per unit was calculated as total equity as at the corresponding period ended, divided by the actual number of Units and class B limited partnership units of Allied Properties Exchangeable Limited Partnership ("Exchangeable LP Units") outstanding at period end. With Allied's conversion to an open-end trust on June 12, 2023, NAV per unit is calculated as total equity plus the value of Exchangeable LP Units as at the corresponding period ended, divided by the actual number of Units and Exchangeable LP Units. The rationale for including the value of Exchangeable LP Units is because they are economically equivalent to Units, receive distributions equal to the distributions paid on the Units and are exchangeable, at the holder's option, for Units.



## **NET OPERATING INCOME (“NOI”)**

NOI is a non-GAAP financial measure defined as rental revenue less property operating costs on a proportionate basis, excluding the impact of non-cash items such as amortization of improvement allowances and the amortization of straight-line rents on a proportionate basis. The most directly comparable IFRS measure to NOI is Operating Income. Management believes this is a useful measure as it demonstrates the cash generating operating performance of its income producing properties.

## **UNENCUMBERED INVESTMENT PROPERTIES**

Unencumbered investment properties is a non-GAAP measure defined as the value of investment properties which are free and clear of any encumbrances. This is calculated on a proportionate share basis. Management believes unencumbered investment properties is a useful measure to assess the borrowing capacity of Allied.

## **ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (“ADJUSTED EBITDA”)**

Adjusted EBITDA is a non-GAAP measure calculated on a proportionate basis comprised of earnings before interest expense, income taxes, depreciation and amortization expense (including amortization of improvement allowances), impairment, gains and losses on disposal of investment properties and the fair value gains or losses associated with investment properties and investment properties held for sale, Exchangeable LP Units, financial instruments, and unit-based compensation.

## **NET DEBT**

Net debt is a non-GAAP measure, calculated on a proportionate basis, as debt less cash and cash equivalents and less a deposit management considers to be cash equivalent. The most directly comparable IFRS measure to net debt is debt. Management considers net debt a useful measure for evaluating debt levels and interest coverage.

## **TOTAL INDEBTEDNESS RATIO**

This is a non-GAAP measure of Allied's financial leverage, which is calculated on a proportionate basis by taking debt plus outstanding letters of credit divided by total assets. Management considers this metric useful as it indicates Allied's ability to meet its debt obligations.

## INTEREST COVERAGE RATIO

This is a non-GAAP measure defined as Adjusted EBITDA divided by interest expense (excluding interest capitalized and distributions on Exchangeable LP Units). Management considers these metrics useful as they indicate Allied's ability to meet its interest cost obligations.

## TOTAL RETURN

Total return is based on \$100 in units invested on February 6th, 2003 and ending on December 31, 2023, assuming the re-investment of all cash distributions of the trust on the day of the distribution.

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134 PETER STREET, SUITE 1700 TORONTO, ONTARIO M5V 2H2 T 416.977.9002 F 416.306.8704 [ALLIEDREIT.COM](http://ALLIEDREIT.COM)