

Allied Announces Second-Quarter Results

TORONTO, JULY 29, 2025

Allied Properties Real Estate Investment Trust (“Allied”) (TSX: “AP.UN”) today announced results for the three months ended June 30, 2025. “Operations in the second quarter were encouraging in all respects,” said Cecilia Williams, President & CEO. “Our leased area increased slightly, our average net rent per square foot held steady, our non-core property sales accelerated, and our balance-sheet management progressed.”

OPERATIONS

Allied’s portfolio is comprised of three urban workspace formats -- Allied Heritage, Allied Modern and Allied Flex. Utilization of, and demand for, Allied’s workspace continued to strengthen in the second quarter. Allied conducted 317 lease tours in its rental portfolio in the quarter. Its occupied and leased area at the end of the quarter was 84.9% and 87.2%, respectively. Allied renewed 54% of the leases maturing in the quarter, bringing renewals in the first half of the year to 69%, just below its normal range of 70% to 75%.

Allied leased a total of 588,373 square feet of GLA in the second quarter, 546,437 square feet in its rental portfolio and 41,936 square feet in its development portfolio. Of the 546,437 square feet Allied leased in its rental portfolio, 224,651 square feet were vacant, 190,904 square feet were maturing in the quarter and 130,882 square feet were maturing after the quarter. 74,584 square feet of the vacant space leased in the quarter involved expansion by existing users.

Average in-place net rent per occupied square foot ended the second quarter at \$25.32, up 1.0% from the end of the comparable quarter. Allied increased rent levels on renewal in the second quarter (up 3.1% ending-to-starting base rent and up 13.2% average-to-average base rent).

PORTFOLIO OPTIMIZATION AND NON-CORE PROPERTY SALES

“We’re in the final stages of completing the large, multi-city development pipeline we initiated in 2012,” said Michael Emory, Founder and Executive Chair. “Efforts to monetize 150 West Georgia are now fully underway. At M4, Netflix and other tenants are building out their space, with rent scheduled to commence early next year. At KING Toronto, an international retailer will anchor the all-important commercial component with 28,291 square feet below grade and 4,587 square feet at grade. While KING Toronto has faced numerous obstacles, Allied and Westbank have overcome them and expect to complete the development exactly as designed by the end of next year.”

Allied expanded its business in 2024 by acquiring a larger than expected interest in three completed developments -- 400 West Georgia in Vancouver, 19 Duncan in Toronto and Calgary House. At the time, 63,772 square feet of office space at 400 West Georgia was unleased, the 464 residential units at 19 Duncan were unleased and 26 of the 326 residential units at Calgary House were unleased.

Allied is now finalizing a long-term lease for the remaining office space at 400 West Georgia (63,772 square feet) with an established knowledge-based organization. It has also now leased 222 of the 464 residential units at 19 Duncan. Calgary House is approaching full occupancy. At the end of the second quarter, 312 of the 326 residential units were leased.

Last year, Allied effectively funded a portion of the equity component of 400 West Georgia and 19 Duncan by selling seven non-core properties -- four in Montréal, one in Toronto, one in Ottawa and one in Calgary -- for \$229 million. This year, Allied intends to sell additional non-core properties for at least \$300 million. In doing so, it will effectively fund the equity component of 400 West Georgia and 19 Duncan to a leverage-appropriate level and, in the process, strengthen its debt metrics overall.

In the second quarter, Allied closed the sale of a non-core property in Edmonton and put nine non-core properties under sale contract, six in Montréal, one in Toronto and two in Vancouver, all for aggregate proceeds of approximately \$200 million. The remaining closings are expected to occur in the latter half of 2025. Allied expects to sell additional non-core properties in Montréal, Toronto and Calgary over the remainder of the year, primarily to users and entrepreneurial purchasers. Allied remains highly confident with respect to its sales target for this year.

BALANCE-SHEET MANAGEMENT

Allied remains fully committed to maintaining and improving its access to the debt capital markets and will continue to manage its balance sheet accordingly. At the end of the second quarter, Allied

- (i) had \$167.7 million drawn on its \$800 million unsecured revolving operating facility, affording considerable liquidity going forward,
- (ii) maintained short-term, variable rate debt at a negligible level in relation to total debt,
- (iii) had a total debt ratio* of 44.0% and
- (iv) had net debt as a multiple of annualized adjusted EBITDA* of 11.9x.

As of today’s date, Allied has \$120 million drawn on its \$800 million unsecured revolving operating facility. Allied expects to have nothing drawn on its facility by year-end.

* This is a non-GAAP measure. Refer to the Non-GAAP Measures section below.

OUTLOOK

Allied continues to experience steady demand for urban workspace, urban rental-residential space and urban amenity space, as well as strong and quantifiable engagement among users of space in its portfolio generally. Management expects this to underpin growth in Same Asset NOI* in 2025 of approximately 2%. With the higher overall interest cost flowing from the 2024 acquisitions, Management expects FFO* and AFFO* per unit to contract in 2025 by approximately 4%.

Allied's specific operating goals for year-end 2025 are as follows:

- (i) to have reached occupied and leased area of at least 90%;
- (ii) to have sold lower-yielding, non-core properties at or above IFRS value in Montréal, Toronto, Calgary, Edmonton and Vancouver for at least \$300 million with allocation of proceeds to debt repayment;
- (iii) to have fully monetized its loan receivable secured by 150 West Georgia Street in Vancouver with allocation of proceeds to debt repayment; and
- (iv) to have net debt as a multiple of annualized adjusted EBITDA* below 10x.

While currently on target with respect to its operating goals for 2025, Management cautions that the uncertain macroeconomic environment may impede Allied's ability to achieve its operating goals within the estimated timeframe.

FINANCIAL MEASURES

The following tables summarize GAAP financial measures for the three and six months ended June 30, 2025, and 2024:

(in thousands except for % amounts)	FOR THE THREE MONTHS ENDED JUNE 30			
	2025	2024	CHANGE	% CHANGE
Rental revenue	\$145,045	\$146,750	\$(1,705)	(1.2)%
Property operating costs	\$(65,095)	\$(64,359)	\$ (736)	(1.1)%
Operating income	\$79,950	\$82,391	\$(2,441)	(3.0)%
Interest income	\$10,699	\$9,615	\$1,084	11.3%
Interest expense	\$(32,817)	\$(29,932)	\$(2,885)	(9.6)%
General and administrative expenses ⁽¹⁾	\$(5,975)	\$(7,320)	\$1,345	18.4%
Condominium marketing expenses	\$(5)	\$(65)	\$60	92.3%
Amortization of other assets	\$(360)	\$(382)	\$22	5.8%
Transaction costs	\$(660)	\$ —	\$(660)	(100.0)%
Net income from joint venture	\$ —	\$535	\$(535)	(100.0)%
Fair value loss on investment properties and investment properties held for sale	\$(129,734)	\$(44,983)	\$(84,751)	(188.4)%
Fair value gain (loss) on Exchangeable LP Units	\$(9,093)	\$27,870	\$(36,963)	(132.6)%
Fair value gain (loss) on derivative instruments	\$2,782	\$(3,490)	\$6,272	179.7%
Impairment of residential inventory	\$(9,527)	\$(6,177)	\$(3,350)	(54.2)%
Net income (loss) and comprehensive income (loss)	\$(94,740)	\$28,062	\$(122,802)	(437.6)%

(1) For the three months ended June 30, 2025, salaries and benefits expenses includes a fair value expense of \$28 (June 30, 2024 - \$1,329) on unit-based compensation plans. The mark-to-market adjustment on unit-based compensation is added back in the calculation of FFO as defined in REALPAC's "Funds From Operations (FFO) & Adjusted Funds From Operations (AFFO) for IFRS" issued in January 2022.

* This is a non-GAAP measure. FFO per unit and AFFO per unit exclude condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation. Refer to the Non-GAAP Measures section below.

FOR THE SIX MONTHS ENDED JUNE 30

(in thousands except for % amounts)	2025	2024	CHANGE	% CHANGE
Rental revenue	\$295,681	\$290,327	\$5,354	1.8%
Property operating costs	\$(134,496)	\$(129,465)	\$(5,031)	(3.9)%
Operating income	\$161,185	\$160,862	\$323	0.20%
Interest income	\$20,794	\$24,374	\$(3,580)	(14.7)%
Interest expense	\$(63,501)	\$(53,363)	\$(10,138)	(19.0)%
General and administrative expenses ⁽¹⁾	\$(12,681)	\$(13,818)	\$1,137	8.2%
Condominium marketing expenses	\$(13)	\$(100)	\$87	87.0%
Amortization of other assets	\$(733)	\$(760)	\$27	3.6%
Transaction costs	\$(660)	\$ —	\$(660)	100.0%
Net income from joint venture	\$ —	\$1,287	\$(1,287)	(100.0)%
Fair value loss on investment properties and investment properties held for sale	\$(293,833)	\$(164,175)	\$(129,658)	(79.0)%
Fair value gain (loss) on Exchangeable LP Units	\$(118)	\$57,511	\$(57,629)	(100.2)%
Fair value gain (loss) on derivative instruments	\$(3,313)	\$3,658	\$(6,971)	(190.6)%
Impairment of residential inventory	\$(9,527)	\$(6,177)	\$(3,350)	(54.2)%
Net income (loss) and comprehensive income (loss)	\$(202,400)	\$9,299	\$(211,699)	(2,276.6)%

(1) For the six months ended June 30, 2025, salaries and benefits expenses includes a fair value expense of \$451 (June 30, 2024 - \$939) on unit-based compensation plans. The mark-to-market adjustment on unit-based compensation is added back in the calculation of FFO as defined in REALPAC's "Funds From Operations (FFO) & Adjusted Funds From Operations (AFFO) for IFRS" issued in January 2022.

The following table summarizes other financial measures as at June 30, 2025, and 2024:

	AS AT JUNE 30			
(in thousands except for per unit and % amounts)	2025	2024	CHANGE	% CHANGE
Investment properties ⁽¹⁾	\$9,297,966	\$9,777,747	\$(479,781)	(4.9)%
Unencumbered investment properties ⁽²⁾	\$8,168,766	\$8,506,667	\$(337,901)	(4.0)%
Total Assets ⁽¹⁾	\$10,415,874	\$10,981,068	\$(565,194)	(5.1)%
Cost of PUD as a % of GBV ⁽²⁾	6.8%	11.4%	—	(4.6)%
NAV per unit ⁽³⁾	\$38.97	\$44.43	\$(5.46)	(12.3)%
Debt ⁽¹⁾	\$4,565,645	\$4,272,514	\$293,131	6.9%
Total indebtedness ratio ⁽²⁾	44.0%	39.1%	—	4.9%
Annualized Adjusted EBITDA ⁽²⁾	\$377,328	\$383,112	\$(5,784)	(1.5)%
Net debt as a multiple of Annualized Adjusted EBITDA ⁽²⁾	11.9x	10.9x	1.0x	—
Interest coverage ratio including interest capitalized and excluding financing prepayment costs - three months trailing ⁽²⁾	2.2x	2.3x	(0.1x)	—
Interest coverage ratio including interest capitalized and excluding financing prepayment costs - twelve months trailing ⁽²⁾	2.2x	2.6x	(0.4x)	—

(1) This measure is presented on a GAAP basis.

(2) This is a non-GAAP measure. Refer to the Non-GAAP Measures section below.

(3) Net asset value per unit ("NAV per unit") is calculated as total equity plus the value of the class B limited partnership units of Allied Properties Exchangeable Limited Partnership ("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.

NON-GAAP MEASURES

Management uses financial measures based on IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards” or “GAAP”) and non-GAAP measures to assess Allied’s performance. Non-GAAP measures do not have any standardized meaning prescribed under IFRS Accounting Standards, and therefore, should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS Accounting Standards. Refer to the Non-GAAP Measures section on page 17 of the MD&A as at June 30, 2025, available on www.sedarplus.ca, for an explanation of the composition of the non-GAAP measures used in this press release and their usefulness for readers in assessing Allied’s performance. Such explanation is incorporated by reference herein.

The following table summarizes non-GAAP financial measures for the three and six months ended June 30, 2025, and 2024:

(in thousands except for per unit and % amounts)	FOR THE THREE MONTHS ENDED JUNE 30			
	2025	2024	CHANGE	% CHANGE
Adjusted EBITDA	\$94,332	\$95,778	\$(1,446)	(1.5)%
Same Asset NOI - rental portfolio	\$82,211	\$81,339	\$872	1.1%
Same Asset NOI - total portfolio	\$86,894	\$85,610	\$1,284	1.5%
FFO	\$68,999	\$72,089	\$(3,090)	(4.3)%
FFO per unit (diluted)	\$0.494	\$0.516	\$(0.022)	(4.3)%
FFO payout ratio	91.2%	87.2%	—	4.0%
AFFO	\$63,477	\$65,218	\$(1,741)	(2.7)%
AFFO per unit (diluted)	\$0.454	\$0.467	\$(0.013)	(2.8)%
AFFO payout ratio	99.1%	96.4%	—	2.7%
All amounts below are excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation:				
FFO	\$69,198	\$73,483	\$(4,285)	(5.8)%
FFO per unit (diluted)	\$0.495	\$0.526	\$(0.031)	(5.9)%
FFO payout ratio	90.9%	85.6%	—	5.3%
AFFO	\$63,676	\$66,612	\$(2,936)	(4.4)%
AFFO per unit (diluted)	\$0.456	\$0.477	\$(0.021)	(4.4)%
AFFO payout ratio	98.8%	94.4%	—	4.4%

FOR THE SIX MONTHS ENDED JUNE 30

(in thousands except for per unit and % amounts)	2025	2024	CHANGE	% CHANGE
Adjusted EBITDA	\$188,881	\$192,280	\$(3,399)	(1.8)%
Same Asset NOI - rental portfolio	\$154,003	\$152,751	\$1,252	0.8%
Same Asset NOI - total portfolio	\$164,706	\$162,467	\$2,239	1.4%
FFO	\$140,083	\$153,238	\$(13,155)	(8.6)%
FFO per unit (diluted)	\$1.002	\$1.096	\$(0.094)	(8.6)%
FFO payout ratio	89.8%	82.1%	—	7.7%
AFFO	\$128,302	\$140,627	\$(12,325)	(8.8)%
AFFO per unit (diluted)	\$0.918	\$1.006	\$(0.088)	(8.7)%
AFFO payout ratio	98.0%	89.4%	—	(8.6)%
All amounts below are excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation:				
FFO	\$140,713	\$154,277	\$(13,564)	(8.8)%
FFO per unit (diluted)	\$1.007	\$1.104	\$(0.097)	(8.8)%
FFO payout ratio	89.4%	81.5%	—	7.9%
AFFO	\$128,932	\$141,666	\$(12,734)	(9.0)%
AFFO per unit (diluted)	\$0.922	\$1.014	\$(0.092)	(9.1)%
AFFO payout ratio	97.6%	88.8%	—	8.8%

The following table reconciles the non-GAAP measures to the most comparable GAAP measures for the three and six months ended June 30, 2025, and 2024. These terms do not have any standardized meaning prescribed under IFRS Accounting Standards and may not be comparable to similarly titled measures presented by other publicly traded entities.

The following table reconciles Allied's net income (loss) and comprehensive income (loss) to Adjusted EBITDA, a non-GAAP measure, for the three and six months ended June 30, 2025, and 2024.

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30, 2025	JUNE 30, 2024	JUNE 30, 2025	JUNE 30, 2024
Net income (loss) and comprehensive income (loss) for the period	\$(94,740)	\$28,062	\$(202,400)	\$9,299
Interest expense	32,817	29,932	63,501	53,363
Amortization of other assets	360	433	733	870
Amortization of improvement allowances	9,635	9,236	19,145	18,808
Impairment of residential inventory	9,527	6,177	9,527	6,177
Transaction costs	660	—	660	—
Fair value loss on investment properties and investment properties held for sale ⁽¹⁾	129,734	44,989	293,833	163,993
Fair value loss (gain) on Exchangeable LP Units	9,093	(27,870)	118	(57,511)
Fair value loss (gain) on derivative instruments	(2,782)	3,490	3,313	(3,658)
Mark-to-market adjustment on unit-based compensation	28	1,329	451	939
Adjusted EBITDA	\$94,332	\$95,778	\$188,881	\$192,280

(1) Includes Allied's proportionate share of the equity accounted investment's fair value gain (loss) on investment properties of \$nil and \$nil for the three and six months ended June 30, 2025, respectively (June 30, 2024 - fair value loss on investment properties of \$6 and fair value gain on investment properties of \$182, respectively).

The following table reconciles operating income to net operating income, a non-GAAP measure, for the three and six months ended June 30, 2025, and 2024.

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30, 2025	JUNE 30, 2024	JUNE 30, 2025	JUNE 30, 2024
Operating income, GAAP basis	\$79,950	\$82,391	\$161,185	\$160,862
Add: investment in joint venture	—	583	—	1,193
Operating income, proportionate basis	\$79,950	\$82,974	\$161,185	\$162,055
Amortization of improvement allowances ⁽¹⁾	9,635	9,236	19,145	18,808
Amortization of straight-line rent ⁽¹⁾	(240)	(2,212)	(1,227)	(3,710)
Total NOI	\$89,345	\$89,998	\$179,103	\$177,153

(1) Includes Allied's proportionate share of the equity accounted investment of the following amounts for the three and six months ended June 30, 2025: amortization improvement allowances of \$nil and \$nil, respectively (June 30, 2024 - \$197 and \$376, respectively) and amortization of straight-line rent of \$nil and \$nil, respectively (June 30, 2024 - \$(50) and \$(95), respectively).

Same Asset NOI, a non-GAAP measure, is measured as the net operating income for the properties that Allied owned and operated for the entire duration of both the current and comparative period.

	THREE MONTHS ENDED		CHANGE	
	JUNE 30, 2025	JUNE 30, 2024	\$	%
Rental Portfolio - Same Asset NOI	\$82,211	\$81,339	\$872	1.1%
Assets Held for Sale - Same Asset NOI	1,902	1,966	(64)	(3.3)
Rental Portfolio and Assets Held for Sale - Same Asset NOI	\$84,113	\$83,305	\$808	1.0%
Development Portfolio - Same Asset NOI	2,781	2,305	476	20.7
Total Portfolio - Same Asset NOI	\$86,894	\$85,610	\$1,284	1.5%
Acquisitions	769	—	769	
Dispositions	134	3,109	(2,975)	
Lease terminations	3	19	(16)	
Development fees and corporate items	1,545	1,260	285	
Total NOI	\$89,345	\$89,998	\$(653)	(0.7)%

	SIX MONTHS ENDED		CHANGE	
	JUNE 30, 2025	JUNE 30, 2024	\$	%
Rental Portfolio - Same Asset NOI	\$154,003	\$152,751	\$1,252	0.8%
Assets Held for Sale - Same Asset NOI	4,083	4,237	\$(154)	(3.6)
Rental Portfolio and Assets Held for Sale - Same Asset NOI	\$158,086	\$156,988	\$1,098	0.7%
Development Portfolio - Same Asset NOI	6,620	5,479	\$1,141	20.8%
Total Portfolio - Same Asset NOI	\$164,706	\$162,467	\$2,239	1.4%
Acquisitions	10,366	3,665	6,701	
Dispositions	690	6,823	(6,133)	
Lease terminations	75	28	47	
Development fees and corporate items	3,266	4,170	(904)	
Total NOI	\$179,103	\$177,153	\$1,950	1.1%

The following table reconciles Allied's net income (loss) and comprehensive income (loss) to FFO, FFO excluding condominium-related items, financing prepayment costs, transaction costs and the mark-to-market adjustment on unit-based compensation, AFFO, and AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation, which are non-GAAP measures, for the three and six months ended June 30, 2025, and 2024.

	THREE MONTHS ENDED		
	JUNE 30, 2025	JUNE 30, 2024	CHANGE
Net income (loss) and comprehensive income (loss)	\$(94,740)	\$28,062	\$(122,802)
Adjustment to fair value of investment properties and investment properties held for sale	129,734	44,983	84,751
Adjustment to fair value of Exchangeable LP Units	9,093	(27,870)	36,963
Adjustment to fair value of derivative instruments	(2,782)	3,490	(6,272)
Impairment of residential inventory	9,527	6,177	3,350
Transaction costs	660	—	660
Incremental leasing costs	2,459	2,592	(133)
Amortization of improvement allowances	9,635	9,039	596
Amortization of property, plant and equipment ⁽¹⁾	99	99	—
Distributions on Exchangeable LP Units	5,314	5,314	—
Adjustments relating to joint venture:			
Adjustment to fair value on investment properties	—	6	(6)
Amortization of improvement allowances	—	197	(197)
FFO	\$68,999	\$72,089	\$(3,090)
Condominium marketing costs	5	65	(60)
Financing prepayment costs	166	—	166
Mark-to-market adjustment on unit-based compensation	28	1,329	(1,301)
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$69,198	\$73,483	\$(4,285)
FFO	\$68,999	\$72,089	\$(3,090)
Amortization of straight-line rent	(240)	(2,162)	1,922
Regular leasing expenditures	(3,046)	(2,166)	(880)
Regular and recoverable maintenance capital expenditures	(515)	(678)	163
Incremental leasing costs (related to regular leasing expenditures)	(1,721)	(1,814)	93
Adjustment relating to joint venture:			
Amortization of straight-line rent	—	(50)	50
Regular leasing expenditures	—	(1)	1
AFFO	\$63,477	\$65,218	\$(1,741)
Condominium marketing costs	5	65	(60)
Financing prepayment costs	166	—	166
Mark-to-market adjustment on unit-based compensation	28	1,329	(1,301)
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$63,676	\$66,612	\$(2,936)

	THREE MONTHS ENDED		
	JUNE 30, 2025	JUNE 30, 2024	CHANGE
Weighted average number of units ⁽²⁾			
Basic and diluted	139,765,128	139,765,128	—
Per unit - basic and diluted			
FFO	\$0.494	\$0.516	\$(0.022)
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$0.495	\$0.526	\$(0.031)
AFFO	\$0.454	\$0.467	\$(0.013)
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$0.456	\$0.477	\$(0.021)
Payout Ratio			
FFO	91.2%	87.2%	4.0%
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	90.9%	85.6%	5.3%
AFFO	99.1%	96.4%	2.7%
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	98.8%	94.4%	4.4%

(1) Property, plant and equipment relates to owner-occupied property.

(2) The weighted average number of units includes Units and Exchangeable LP Units.

	SIX MONTHS ENDED		
	JUNE 30, 2025	JUNE 30, 2024	CHANGE
Net income (loss) and comprehensive income (loss) from continuing operations	\$(202,400)	\$9,299	\$(211,699)
Adjustment to fair value of investment properties and investment properties held for sale	293,833	164,175	129,658
Adjustment to fair value of Exchangeable LP Units	118	(57,511)	57,629
Adjustment to fair value of derivative instruments	3,313	(3,658)	6,971
Impairment of residential inventory	9,527	6,177	3,350
Transaction costs	660	—	660
Incremental leasing costs	5,060	5,303	(243)
Amortization of improvement allowances	19,145	18,432	713
Amortization of property, plant and equipment ⁽¹⁾	199	199	—
Distributions on Exchangeable LP Units	10,628	10,628	—
Adjustments relating to joint venture:			
Adjustment to fair value on investment properties	—	(182)	182
Amortization of improvement allowances	—	376	(376)
FFO	\$140,083	\$153,238	\$(13,155)
Condominium marketing costs	13	100	(87)
Financing prepayment costs	166	—	166
Mark-to-market adjustment on unit-based compensation	451	939	(488)
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$140,713	\$154,277	\$(13,564)

	SIX MONTHS ENDED		
	JUNE 30, 2025	JUNE 30, 2024	CHANGE
FFO	\$140,083	\$153,238	\$(13,155)
Amortization of straight-line rent	(1,227)	(3,615)	2,388
Regular leasing expenditures	(5,499)	(3,753)	(1,746)
Regular and recoverable maintenance capital expenditures	(1,513)	(1,428)	(85)
Incremental leasing costs (related to regular leasing expenditures)	(3,542)	(3,712)	170
Adjustment relating to joint venture:			
Amortization of straight-line rent	—	(95)	95
Regular leasing expenditures	—	(8)	8
AFFO	\$128,302	\$140,627	\$(12,325)
Condominium marketing costs	13	100	(87)
Financing prepayment costs	166	—	166
Mark-to-market adjustment on unit-based compensation	451	939	(488)
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$128,932	\$141,666	\$(12,734)
Weighted average number of units ⁽²⁾			
Basic and diluted	139,765,128	139,765,128	—
Per unit - basic and diluted			
FFO	\$1.002	\$1.096	\$(0.094)
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$1.007	\$1.104	\$(0.097)
AFFO	\$0.918	\$1.006	\$(0.088)
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	\$0.922	\$1.014	\$(0.092)
Payout Ratio			
FFO	89.8%	82.1%	7.7%
FFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	89.4%	81.5%	7.9%
AFFO	98.0%	89.4%	8.6%
AFFO excluding condominium-related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation	97.6%	88.8%	8.8%

(1) Property, plant and equipment relates to owner-occupied property.

(2) The weighted average number of units includes Units and Exchangeable LP Units.

CAUTIONARY STATEMENTS

This press release may contain forward-looking statements with respect to Allied, its operations, strategy, financial performance and condition, and the assumptions underlying any of the foregoing. These statements generally can be identified by the use of forward-looking words such as “forecast”, “goals”, “outlook”, “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe”, “assume”, “plans” or “continue” or the negative thereof or similar variations. The forward-looking statements in this press release are not guarantees of future results, operations or performance and are based on estimates and assumptions that are subject to risks and uncertainties, including those described under “Risks and Uncertainties” in Allied’s Annual MD&A, which is available at www.sedarplus.ca. Those risks and uncertainties include risks associated with financing and interest rates, access to capital, general economic conditions and joint arrangements and partnerships. Allied’s actual results and performance discussed herein could differ materially from those expressed or implied by such statements. These cautionary statements qualify all forward-looking statements attributable to Allied and persons acting on its behalf. All forward-looking statements speak only as of the date of this press release and, except as required by applicable law, Allied has no obligation to update such statements.

ABOUT ALLIED

Allied is a leading owner-operator of distinctive urban workspace in Canada’s major cities. Allied’s mission is to provide knowledge-based organizations with workspace that is sustainable and conducive to human wellness, creativity, connectivity and diversity. Allied’s vision is to make a continuous contribution to cities and culture that elevates and inspires the humanity in all people.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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