

## Allied Reports Q4 and Full-Year Results; Announces Leadership Update and Equity Financing

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Allied's base shelf prospectus, and the shelf prospectus supplement for the public offering, will be accessible, within two business days, through SEDAR+

- Completes succession plan; Michael Emory to conclude term as Executive Chair
- Announces Q4 2025 and year-end results along with outlook through 2028
- Executing decisive Action Plan to strengthen the balance sheet
- Launches \$500 million offering of units
- Successful execution of the Action Plan and achievement of 2026 targets are expected to drive growth in key operating metrics driven by occupancy approaching historical averages

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**TORONTO, FEBRUARY 10, 2026**

Allied Properties Real Estate Investment Trust ("Allied") (TSX: "AP.UN") today announced results for the fourth quarter and year ended December 31, 2025. In addition, Allied provided its outlook for 2026 through 2028 and launched a \$350 million marketed public offering and \$150 million concurrent private placement of units with proceeds to be allocated to debt repayment.

"While the return to historical occupancy levels has taken longer than expected, we're seeing an increase in demand and limited new supply on the horizon," said Allied President and CEO Cecilia Williams. "Against this backdrop we're executing an Action Plan to strengthen our balance sheet and improve financial flexibility. This includes our previously announced distribution reset, advancing a growing non-core disposition pipeline, and pursuing a \$500 million equity offering. These put Allied in a position of strength to benefit from the market recovery in 2026 and beyond."

## LEADERSHIP UPDATE

In May 2023, Allied implemented a comprehensive leadership renewal and succession plan. Consistent with that plan, Cecilia Williams was appointed President and CEO and Michael Emory entered into an employment agreement providing for a transition to Executive Chair through May 2, 2026, subject to a potential extension, as previously disclosed in its management information circulars.

In light of the equity offering and the importance for clarity on the go forward leadership of Allied and execution of Allied's Action Plan, the Independent Trustees determined that this is the appropriate time to confirm that Mr. Emory's employment agreement will not be renewed. This decision reflects the Independent Trustees' confidence in Allied's CEO and senior management team.

In connection with this transition, Mr. Emory has agreed that he will step back from his day-to-day Executive Chair duties and that he will not stand for re-election as a trustee at Allied's upcoming annual meeting of Unitholders.

"On behalf of Allied and on behalf of the Board of Trustees, I want to thank Michael for his vision, leadership, and lasting contributions as Allied's Founder," said Jennifer Tory, Lead Trustee. "Michael shaped Allied's culture and long-term strategy and built Allied into one of Canada's leading owner-operators of distinctive, high-quality urban workspace."

## 2025 RESULTS

In 2025, Allied executed on a number of its strategic initiatives. However certain operating and deleveraging targets were not achieved due to slower lease finalization, higher debt and interest expense to complete development projects and steps taken in managing loans receivable.

Key items:

- Rental revenue remained steady at approximately \$592 million.
- Operating income declined to \$317 million from \$328 million, mainly due to dispositions, non-renewals and lower development fees, partially offset by contributions from acquisitions, rent commencement from development completions, net of the decapitalization of operating costs.
- In the second half of 2025 Allied delivered 801,000 square feet of new leasing activity, the strongest second half since 2020. Total leasing activity increased 16% in 2025 versus 2024.
- At the end of 2025, occupied and leased area remained steady at 85.3% and 87.4%, respectively.
- Recorded an expected credit loss of \$128 million in relation to two remaining loans receivable.
- IFRS valuation adjustment of \$1.4 billion due to the expansion of capitalization rates based on recent transactions in the market and adjustments to cash flow assumptions in the rental portfolio based on the slower than expected leasing, as well as carrying and construction cost increases in the development portfolio.
- Closed \$140 million of non-core, low-yielding property dispositions in 2025, with net proceeds allocated to debt reduction.

## ACTION PLAN

Leading into 2026, management is acting decisively to strengthen the balance sheet to take advantage of an expected recovery in the Canadian office market.

### Distribution Reset

- Allied reduced its distribution by 60% in December 2025 and is reallocating cash conserved to debt reduction. Allied will continue to evaluate its distribution policy, as appropriate.

## Non-Core, Low-Yielding Property Dispositions

- Allied has a disposition pipeline of approximately \$500 million and continues to evaluate additional opportunities.
  - \$29 million closed in Q1 2026 and \$17 million is firm and expected to close by the end of Q1 2026
  - The remaining pipeline, which includes the recent addition of two substantial rental-residential assets, totals ~\$454 million and is at various stages of marketing and dispositions are targeted to close by year-end 2026.

## Equity Recapitalization

- Allied is launching a \$500 million offering of units (\$350 million by way of a marketed public offering and \$150 million by way of private placement), with net proceeds to be used primarily to repay its Series H debentures. The equity offering is intended to accelerate deleveraging and enhance balance sheet resilience.

Upon successful execution of the Action Plan, Allied expects to remain investment-grade rated.

## OUTLOOK

A strengthened balance sheet from execution of the Action Plan creates the foundation from which expected higher occupancy can drive improved financial performance, support ongoing deleveraging, and position Allied for long-term growth as market fundamentals recover. The Outlook is provided to help stakeholders understand management's expectations for the periods indicated and may not be appropriate for other purposes.

Looking beyond 2026, as the Action Plan is fully executed and 2026 targets are achieved, Allied anticipates improved operating metrics driven by occupancy rates approaching historical averages. The table below details management's outlook for year-end 2026, 2027 and 2028:

METRIC	2026 OUTLOOK	2027 OUTLOOK/TARGET	2028 OUTLOOK/TARGET
Occupied area by year-end	84% to 86% <sup>(1)</sup>	86% to 88%	88% to 90%
NOI*	\$310 million to \$320 million	-	-
Growth/(decline) in Same Asset NOI* (rental portfolio)	(5.5%) to (6.5%)	12% to 16%	9% to 13%
FFO* <sup>(2)</sup>	\$185 million to \$200 million <sup>(3)</sup>	Growth of 7% to 10% <sup>(4)</sup>	Growth of 5% to 8%
Interest expense <sup>(5)</sup>	\$145 million to \$155 million	-	-
Capital expenditures	\$180 million to \$190 million (development, residential inventory, recurring rental portfolio)	-	-
Non-core, low-yielding property dispositions	~ \$500 million aggregate gross proceeds	-	-
Net debt to EBITDA <sup>(6)</sup>	Mid-11x range	Low 10x range	Low 9x range

(1) ~82% at the end of Q2 due to non-renewals.

(2) Excluding condominium related items, financing prepayment costs, and the mark-to-market adjustment on unit-based compensation.

(3) This includes \$20 million of interest income from loans receivable on KING Toronto and 150 West Georgia.

(4) Excluding the \$20 million of interest income from loans receivable on KING Toronto and 150 West Georgia in 2026, growth in 2027 is expected to be 18%-22%.

(5) Interest expense before capitalized interest and excluding distributions on Exchangeable LP Units is expected to be \$175 million to \$185 million.

(6) Net debt as a multiple of Annualized Adjusted EBITDA\* by year-end.

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

## FORECAST ASSUMPTIONS

A comprehensive analysis of all aspects of the business was conducted by management in determining the outlook. Below are the key assumptions considered reasonable at this time:

### KEY ASSUMPTIONS

Operating fundamentals	<ul style="list-style-type: none"> <li>• Allied conducted a review on a unit-by-unit basis</li> <li>• Vacant suites were assessed for timing of lease up and occupancy taking into account the state of the space and capital requirements, feedback from brokers, tour activity and lead time associated with lease negotiations</li> <li>• No new development projects initiated</li> <li>• No additional equity offering other than the \$500 million equity raise in February 2026</li> </ul>
Non-core, low-yielding property dispositions	<ul style="list-style-type: none"> <li>• Allied continues to execute on its property disposition program totaling ~\$500 million of gross proceeds <ul style="list-style-type: none"> <li>– \$29 million closed in Q1 2026, \$17 million is under firm agreement and expected to close by the end of Q1 2026, and ~\$454 million is at various stages of marketing and targeted to close by year-end 2026</li> </ul> </li> <li>• Management is continuously evaluating additional properties for sale to support deleveraging objectives</li> </ul>
General and administrative expenses	<ul style="list-style-type: none"> <li>• Between \$25 million and \$30 million</li> </ul>
Loans receivable	<ul style="list-style-type: none"> <li>• Partial repayment of the 150 West Georgia loan receivable in December 2026 (\$125 million)</li> <li>• The KING Toronto loan will be settled through a partial cash payment and conversion to equity in the commercial component resulting in Allied owning 100%</li> </ul>
KING Toronto condo sale proceeds	<ul style="list-style-type: none"> <li>• KING Toronto condo development project is ~92% pre-sold by unit count (405 units)</li> <li>• Condo closings expected to occur between August 2026 and March 2027, with proceeds forecasted to be received in March 2027 <ul style="list-style-type: none"> <li>– Allied's share of expected condo proceeds of \$245 million (net of HST and deposits)</li> <li>– Proceeds used to fully repay construction loan</li> </ul> </li> </ul>
Financing	<ul style="list-style-type: none"> <li>• \$500 million equity raise in February 2026 with proceeds to repay maturity of the \$600 million Series H debentures, remainder to be funded with proceeds from non-core asset sales</li> <li>• Net proceeds from the remaining non-core dispositions will be used to repay indebtedness</li> <li>• Remaining debenture maturities forecasted to be refinanced at maturity based on market interest rates</li> </ul>
Distribution	<ul style="list-style-type: none"> <li>• \$0.72/unit per year</li> </ul>

## Q4 2025 AND YEAR-END 2025 RESULTS

### OPERATIONS

At the end of 2025, Allied's occupied and leased area was 85.3% and 87.4%, respectively. Its occupied and leased area at the end of 2024 was 85.9% and 87.2%, respectively.

At the end of 2025, space available for sub-lease in Allied's portfolio represented 2.6% of GLA (381,801 square feet), down from 5.7% of GLA (815,107 square feet) at the end of 2024. The 53% reduction in GLA available for sub-lease occurred primarily in the Allied Modern format in Toronto and Montréal, most notably at The Well.

Allied leased a total of 2,709,797 square feet of GLA in 2025, 2,464,763 square feet in its rental portfolio and 245,034 square feet in its development portfolio. Of the 2,464,763 square feet Allied leased in its rental portfolio, 760,921 square feet were vacant at the beginning of the year, 973,040 square feet matured in the year, representing a 60% renewal rate, and 730,802 square feet mature in 2026 and 2027. Most notably, Google renewed its lease of 194,842 square feet maturing in 2026 at The Breithaupt Block (97,421 square feet at Allied's share). Rent levels on renewal increased by 0.5% ending-to-starting base rent and 8.1% average-to-average base rent.

525,191 square feet of the space leased in 2025 involved expansion by existing users. 787,222 square feet of the space leased in 2025 involved new users to the portfolio.

Average in-place net rent per occupied square foot ended 2025 at \$25.23, down slightly from \$25.41 at the end of 2024. The weighted average term to maturity of the portfolio at the end of 2025 was 5.7 years, up slightly from 5.6 years at the end of 2024.

Allied conducted 1,054 lease tours in 2025, compared to 1,083 in 2024. While down slightly, the average size of the space requirement per tour in 2025 exceeded 2024 by approximately 17%.

#### **NON-CORE, LOW-YIELDING PROPERTY DISPOSITIONS**

In 2025, Allied completed the sale of nine properties, generating total gross proceeds of \$140 million.

The remaining disposition pipeline totals approximately \$500 million. Of this, \$29 million closed in Q1 2026 and \$17 million is firm and expected to close by the end of Q1 2026. The remaining pipeline includes the recent addition of two substantial rental-residential assets. Management is continuously evaluating additional properties for sale to support deleveraging objectives.

#### **COMPLETION OF DEVELOPMENT PIPELINE**

The necessary completion of Allied's development pipeline resulted in increased capital intensity during 2024 and 2025 and elevated debt. In the third quarter of 2025, Allied acquired full ownership of M4 at Main Alley Campus, Vancouver, which is currently 90% leased primarily to Netflix, with rental payments scheduled to commence in the first quarter of 2026.

The final committed development, KING Toronto at 489-539 King Street West, will comprise 440 condominium units of which 92% are pre-sold, 46,000 square feet of office space, and 122,000 square feet of retail space. Completion is expected in the first half of 2027. Whole Foods Market is the anchor tenant for the retail portion and is committed to occupy 32,878 square feet in August 2027. Allied is now responsible for onsite construction management.

Management does not intend to initiate any new development projects in the foreseeable future.

#### **150 WEST GEORGIA**

150 West Georgia, a municipally approved downtown Vancouver site, is set for a 10-story AI data center with BC Hydro committed to providing 39 MW of power with a clear path to 50 MW and potential for up to 100 MW. Integration with Creative Energy's district heating grid could make the facility a net-positive data centre and expand the district heating grid's reach.

Allied extended Westbank's loan on 150 West Georgia to December 31, 2026, with additional security, as the project shifted from office to data center. Allied and Westbank aim to sell a major portion of the site to a Canadian operator, partially repaying Allied's loan while retaining a minority interest.

## FINANCIAL MEASURES

The following tables summarize GAAP financial measures for the three months and years ended December 31, 2025, and 2024:

(in thousands except for % amounts)	FOR THE THREE MONTHS ENDED DECEMBER 31			
	2025	2024	CHANGE	% CHANGE
<b>Rental revenue</b>	<b>\$148,766</b>	<b>\$155,120</b>	<b>\$(6,354)</b>	<b>(4.1)%</b>
<b>Property operating costs</b>	<b>\$(73,714)</b>	<b>\$(70,737)</b>	<b>\$(2,977)</b>	<b>(4.2)%</b>
<b>Operating income</b>	<b>\$75,052</b>	<b>\$84,383</b>	<b>\$(9,331)</b>	<b>(11.1)%</b>
<b>Interest income</b>	<b>\$10,632</b>	<b>\$10,393</b>	<b>\$239</b>	<b>2.3%</b>
<b>Interest expense</b>	<b>\$(36,464)</b>	<b>\$(31,743)</b>	<b>\$(4,721)</b>	<b>(14.9)%</b>
<b>General and administrative expenses <sup>(1)</sup></b>	<b>\$(4,527)</b>	<b>\$(8,374)</b>	<b>\$3,847</b>	<b>45.9%</b>
<b>Condominium marketing expenses</b>	<b>\$(21)</b>	<b>\$(17)</b>	<b>\$(4)</b>	<b>(23.5)%</b>
<b>Amortization of other assets</b>	<b>\$(504)</b>	<b>\$(388)</b>	<b>\$(116)</b>	<b>(29.9)%</b>
<b>Transaction costs</b>	<b>\$(3,690)</b>	<b>\$(1,586)</b>	<b>\$(2,104)</b>	<b>(132.7)%</b>
<b>Net income from joint venture</b>	<b>\$ —</b>	<b>\$105</b>	<b>\$(105)</b>	<b>(100.0)%</b>
<b>Fair value loss on investment properties and investment properties held for sale</b>	<b>\$(1,014,137)</b>	<b>\$(346,035)</b>	<b>\$(668,102)</b>	<b>(193.1)%</b>
<b>Fair value gain on Exchangeable LP Units</b>	<b>\$87,034</b>	<b>\$36,254</b>	<b>\$50,780</b>	<b>140.1%</b>
<b>Fair value gain on derivative instruments</b>	<b>\$2,882</b>	<b>\$(644)</b>	<b>\$3,526</b>	<b>547.5%</b>
<b>Expected credit loss on loans and notes receivable</b>	<b>\$(128,000)</b>	<b>\$ —</b>	<b>\$(128,000)</b>	<b>(100.0)%</b>
<b>Impairment of residential inventory</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>— %</b>
<b>Net loss and comprehensive loss <sup>(2)</sup></b>	<b>\$(1,011,743)</b>	<b>\$(257,652)</b>	<b>\$(754,091)</b>	<b>(292.7)%</b>

(1) For the three months ended December 31, 2025, salaries and benefits expenses includes a fair value recovery of \$1,925 (December 31, 2024 - expense of \$1,834) 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.

(2) For the three months ended December 31, 2025, includes interest income on loans receivable on KING Toronto and 150 West Georgia of \$9,700 (2024 - \$8,504). An expected credit loss on loans receivable of \$128,000 (2024 - \$nil) was recognized for the three months ended December 31, 2025.

(in thousands except for % amounts)	FOR THE YEAR ENDED DECEMBER 31			
	2025	2024	CHANGE	% CHANGE
Rental revenue	\$592,379	\$592,040	\$339	0.1%
Property operating costs	\$(275,415)	\$(263,566)	\$(11,849)	(4.5)%
Operating income	\$316,964	\$328,474	\$(11,510)	(3.5)%
Interest income	\$41,402	\$45,069	\$(3,667)	(8.1)%
Interest expense	\$(135,453)	\$(116,467)	\$(18,986)	(16.3)%
General and administrative expenses <sup>(1)</sup>	\$(24,666)	\$(24,333)	\$(333)	(1.4)%
Condominium marketing expenses	\$(39)	\$(134)	\$95	70.9%
Amortization of other assets	\$(1,879)	\$(1,538)	\$(341)	(22.2)%
Transaction costs	\$(5,349)	\$(1,722)	\$(3,627)	(210.6)%
Net income from joint venture	\$ —	\$1,842	\$(1,842)	(100.0)%
Fair value loss on investment properties and investment properties held for sale	\$(1,408,235)	\$(557,569)	\$(850,666)	(152.6)%
Fair value gain on Exchangeable LP Units	\$44,639	\$35,782	\$8,857	24.8%
Fair value loss on derivative instruments	\$(2,996)	\$(13,675)	\$10,679	78.1%
Expected credit loss on loans and notes receivable	\$(128,000)	\$ —	\$(128,000)	(100.0)%
Impairment of residential inventory	\$(23,920)	\$(38,259)	\$14,339	37.5%
Net loss and comprehensive loss <sup>(2)</sup>	\$(1,327,532)	\$(342,530)	\$(985,002)	(287.6)%

(1) For the year ended December 31, 2025, salaries and benefits expenses includes a fair value recovery of \$24 (December 31, 2024 - \$107) 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.

(2) For the year ended December 31, 2025, includes interest income on loans receivable on KING Toronto and 150 West Georgia of \$36,415 (2024 - \$36,035). An expected credit loss on loans receivable of \$128,000 (2024 - \$nil) was recognized for the year ended December 31, 2025.

Operating income decreased from the comparable year primarily due to dispositions, non-renewals and lower development fees, partially offset by contributions from acquisitions, rent commencement from development completions, net of the decapitalization of operating costs.

Interest income was lower than the comparable year due to a deposit that was fully repaid in July 2025.

Interest expense was higher than the comparable year due to the impact of decapitalization and higher debt incurred primarily to complete the final ground-up developments in Allied's development pipeline.

Fair value loss was higher than the comparable year due to the expansion of capitalization rates based on recent transactions in the market and adjustments to cash flow assumptions in the rental portfolio based on the slower than expected leasing, as well as carrying and construction cost increases in the development portfolio.

Expected credit losses were recorded in the period to adjust the balance expected to be recovered.

The following table summarizes other financial measures as at December 31, 2025, and 2024:

(in thousands except for per unit and % amounts)	AS AT DECEMBER 31			
	2025	2024	CHANGE	% CHANGE
<b>Investment properties <sup>(1)</sup></b>	<b>\$8,443,045</b>	<b>\$9,448,363</b>	<b>\$1,005,318</b>	<b>(10.6)%</b>
<b>Unencumbered investment properties <sup>(2)</sup></b>	<b>\$7,510,485</b>	<b>\$7,817,543</b>	<b>(\$307,058)</b>	<b>(3.9)%</b>
<b>Total Assets <sup>(1)</sup></b>	<b>\$9,257,404</b>	<b>\$10,603,979</b>	<b>\$1,346,575</b>	<b>(12.7)%</b>
<b>Properties Under Development</b>	<b>\$455,411</b>	<b>\$846,739</b>	<b>\$(\$391,328)</b>	<b>(46.2)%</b>
<b>Cost of PUD as a % of GBV <sup>(2)</sup></b>	<b>7.6%</b>	<b>10.1%</b>	<b>—</b>	<b>(2.5)%</b>
<b>NAV per unit <sup>(3)</sup></b>	<b>\$29.87</b>	<b>\$41.25</b>	<b>\$(\$11.38)</b>	<b>(27.6)%</b>
<b>Debt <sup>(1)</sup></b>	<b>\$4,681,763</b>	<b>\$4,403,375</b>	<b>\$278,388</b>	<b>6.3%</b>
<b>Total indebtedness ratio <sup>(2)</sup></b>	<b>50.7%</b>	<b>41.7%</b>	<b>—</b>	<b>9.0%</b>
<b>Annualized Adjusted EBITDA <sup>(2)(4)</sup></b>	<b>\$355,536</b>	<b>\$393,404</b>	<b>\$(\$37,868)</b>	<b>(9.6)%</b>
<b>Net debt as a multiple of Annualized Adjusted EBITDA <sup>(2)(4)</sup></b>	<b>12.9x</b>	<b>10.8x</b>	<b>2.1x</b>	<b>—</b>
<b>Interest coverage ratio including interest capitalized and excluding financing prepayment costs - three months trailing <sup>(2)(5)</sup></b>	<b>1.9x</b>	<b>2.3x</b>	<b>(0.4x)</b>	<b>—</b>
<b>Interest coverage ratio including interest capitalized and excluding financing prepayment costs - twelve months trailing <sup>(2)(4)</sup></b>	<b>2.1x</b>	<b>2.4x</b>	<b>(0.3x)</b>	<b>—</b>

(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.

(4) For the year ended December 31, 2025, includes interest income on loans receivable on KING Toronto and 150 West Georgia of \$36,415 (2024 - \$36,035). An expected credit loss on loans receivable of \$128,000 (2024 - \$nil) was recognized for the year ended December 31, 2025.

(5) For the three months ended December 31, 2025, includes interest income on loans receivable on KING Toronto and 150 West Georgia of \$9,700 (2024 - \$8,504). An expected credit loss on loans receivable of \$128,000 (2024 - \$nil) was recognized for the three months ended December 31, 2025.

## 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 18 of the MD&A as at December 31, 2025, available on [www.sedarplus.ca](http://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 Outlook contains certain forward-looking non-GAAP financial measures (including NOI, Same Asset NOI, Annual Adjusted EBITDA and FFO). These forward-looking non-GAAP financial measures are not able to be reconciled to the nearest comparable measure under GAAP. There is no significant difference between the prospective non-GAAP financial measures of NOI, Same Asset NOI, Annualized Adjusted EBITDA and FFO contained in the Outlook and their equivalent historic non-GAAP financial measures, respectively, which are disclosed in the MD&A.

## **MARKETED PUBLIC OFFERING OF UNITS AND CONCURRENT PRIVATE PLACEMENT**

Allied announced today that it has launched a proposed marketed public offering (the “Public Offering”) and concurrent private placement (the “Private Placement” and together with the Public Offering, the “Offering”) of units of Allied (the “Units”). In connection with the Public Offering, Allied has filed a preliminary prospectus supplement (the “Supplement”) to its short form base shelf prospectus dated December 16, 2025 (the “Base Shelf Prospectus”).

The Supplement has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. Allied intends to file a final prospectus supplement (the “Final Supplement”) to the Base Shelf Prospectus on or about February 12, 2026.

The Units to be issued pursuant to the Private Placement will be offered on a private placement basis pursuant to applicable prospectus exemptions in each of the provinces and territories of Canada and in such other jurisdictions outside of Canada and the United States as may be determined, and will not be qualified by a prospectus and will be subject to statutory resale restrictions under applicable securities legislation.

The Public Offering will be conducted through a syndicate of underwriters led by Scotiabank, CIBC Capital Markets and RBC Dominion Securities Inc. (“RBC”) and is targeted to raise total gross proceeds of approximately \$350,000,000. Scotiabank, CIBC Capital Markets and RBC will act as placement agents in connection with the Private Placement, which is targeted to raise total gross proceeds of approximately \$150,000,000 from the Alberta Investment Management Corporation (AIMCo), on behalf of its clients. The Offering is expected to be priced in the context of the market, with the final terms of the Offering to be determined at the time of pricing and reflected in the Final Supplement. The Public Offering and the Private Placement are contingent on the completion of the other, are expected to close concurrently on or about February 18, 2026 and will be subject to customary closing conditions, including the listing of the Units on the Toronto Stock Exchange (the “TSX”) and any required approvals of the TSX. There can be no assurance as to whether or when the Offering may be completed, or as to the actual size or terms of the Offering.

Allied intends to use the net proceeds of the Offering to repay amounts outstanding under its operating line of credit, which will be drawn down to repay Allied’s \$600,000,000 aggregate principal amount of 1.726% series H senior unsecured debentures due February 12, 2026.

Allied will grant the underwriters an option to purchase up to an additional 15% of the number of Units sold in the Public Offering on the same terms and conditions as the Public Offering, exercisable at any time, in whole or in part, for a period of 30 days following the closing of the Offering.

The Base Shelf Prospectus and Supplement are accessible, and upon filing, the Final Supplement will be accessible, on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Delivery of the Base Shelf Prospectus and the Final Supplement and any amendments thereto will be satisfied in accordance with the “access equals delivery” provisions of applicable Canadian securities legislation. An electronic or paper copy of the Supplement, the Base Shelf Prospectus, and upon filing, the Final Supplement, and any amendment to the documents may be obtained, without charge, from any of the lead underwriters by contacting Scotiabank at 40 Temperance Street, 6th Floor, Toronto, Ontario M5H 0B4, Attention Equity Capital Markets or by telephone at (416) 863-7704 or by email at [equityprospectus@scotiabank.com](mailto:equityprospectus@scotiabank.com), from CIBC Capital Markets at 161 Bay Street, 5th Floor, Toronto, ON M5J 2S8 or by telephone at (416) 956-6378 or by email at [mailbox.canadianprospectus@cibc.com](mailto:mailbox.canadianprospectus@cibc.com) or RBC at 180 Wellington Street West, 8th Floor, Toronto, ON M5J 0C2, Attention: Distribution Centre or by email at [Distribution.RBCDS@rbccm.com](mailto:Distribution.RBCDS@rbccm.com).

The Base Shelf Prospectus and Supplement contain, and the Final Supplement will upon filing contain, important detailed information about Allied and the Offering. Prospective investors should read these documents, and any amendment to the documents in their entirety before making an investment decision.

**The Units being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Units in the United States or in any jurisdiction in which such offer, sale or solicitation would be unlawful.**

#### **CONFERENCE CALL**

The Company will hold a conference call at 10:00 a.m. (ET) on Wednesday, February 11, 2026, to discuss financial results for the quarter ended December 31, 2025. Please note that due to the marketed public offering of Units, there will be no question-and-answer period during this call.

Participants may access the conference call by dialing 1 (800) 715-9871 or (647) 932-3411, conference ID #2415499. A replay of the call will be available here or at [www.alliedreit.com](http://www.alliedreit.com) and will be archived for 90 days.

#### **CAUTIONARY STATEMENTS**

This press release may contain forward-looking statements (which includes the Outlook) with respect to Allied, including with respect to its operations, strategy, financial performance and condition, market demand and supply for Allied's properties, market fundamental recoveries, occupancy rates, cash flow growth, the timing and results of the non-core low-yielding property dispositions, the timing for successful execution of the Action Plan and the results of the Action Plan, market recovery in 2026 and beyond, ability to maintain distributions at current levels, maintaining investment grade status, the Outlook, repaying 150 West Georgia and integration with Creative Energy's district heating grid, no new development projects in the foreseeable future for Allied, condo closing and forecaster proceeds, that the KING Toronto loan will be settled through a partial cash payment and conversion of equity in the commercial component resulting in Allied owning 100%, the pricing, size and terms of the Offering, the expected filing date of the Final Supplement, the approval of the Offering by the TSX, the completion of the Offering, the anticipated use of proceeds of the Offering and from property dispositions 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 and the Outlook 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, as updated by quarterly reports, which are available at [www.sedarplus.ca](http://www.sedarplus.ca). Actual results may differ materially from the Outlook. Those risks and uncertainties include risks associated with availability of cash flow and distributions, timing of property sales and the proceeds therefrom, financing and interest rates, satisfying financial and non-financial covenants, access to capital, general economic conditions and joint arrangements and partnerships, debtor credit risk, credit rating risk, unit-based compensation liabilities, dilution of Unitholders, financial leverage, non-systemic risk associated with the ownership of real estate, competitiveness of the real estate market, the current stage of the cycle for residential condominiums and rental-residential units, reliance on key personnel, unexpected costs or liabilities related to acquisitions, the accuracy and reliability of forward looking financial information, guidance and the Outlook, the Assumptions used in the Outlook are incorrect, lease roll-over risk, user termination and financial stability, development and construction risk, access to capital, valuation risk, general global market, economic and political conditions, cybersecurity, data and privacy risks, taxation risk and changes in legislation, environmental and climate change risk, public health crises, and uninsurable losses. Allied's actual results and performance for future periods, including the timing, extent and success of the Action Plan could differ materially from what is discussed herein. These cautionary statements qualify all forward-looking statements (including the Outlook) 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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