Registered number: 02071488

Annual Report and Financial Statements 2025

Allianz Properties Limited

Allianz Properties Limited

Contents

Company Information

Directors:	C J Holmes M F Ruf Y Ye
Company Secretary:	C M Twemlow
Registered office:	57 Ladymead Guildford Surrey England GU1 1DB
Registered number:	02071488
Independent auditors:	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

The Directors present their Strategic Report for the year ended 31 December 2025.

Allianz Properties Limited ("the Company") is, via intermediate companies, a wholly owned subsidiary of Allianz Holdings plc ("AzH"), which is itself owned by Allianz (UK) Limited ("AZ(UK)"). AZ(UK) and its subsidiaries are collectively referred to in this document as "Allianz UK". The Company's ultimate shareholder is Allianz Societas Europaea ("Allianz SE"), which is headquartered in Germany.

Principal activities
The principal activity of the Company is the management of a portfolio of investment properties.

Business review
The results for the year are set out in the Statement of Profit and Loss and Other Comprehensive Income on page 10. The profit for the year wholly attributable to the equity holder amounted to £9,438k (2024: £7,451k). Despite a decrease in revenue, the Company saw an increase in profit for the year, owing to increased net fair value gains.

Key Performance Indicators ("KPIs")
The financial KPIs monitored by the Company are profit before tax, total equity and the performance of its investment portfolio. The profit before tax for the year was £12,652k (2024: £10,702k). At the Statement of Financial Position ("SOFP") date, the Company had total equity of £211,210k (2024: £201,772k).

The total return of the portfolio in 2025 was 7.0% (2024: 5.7%), outperforming the MSCI Quarterly Universe (All Assets) benchmark by 1.2%. During the year, the capital value of the portfolio increased by 1.6% (2024: 0.3%) and the income return for the portfolio was 5.4% (2024: 5.4%) during the year.

Principal risks and uncertainties
The principal risk facing the Company is that poor performance of its investment property portfolio has a significant impact on the asset valuation and rental income received. The Company manages this risk by investing in high quality properties and regularly reviewing the portfolio.

During the year, the property portfolio increased in value by £20,850k (2024: £24,040k decrease). For more details, please refer to note 4.

Future outlook
No changes in the principal activities are anticipated in the foreseeable future.

Going concern
These Financial Statements have been prepared on a going concern basis. The Board has reviewed the Company's forecasts for the next 12 months and beyond. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the reporting date of the Financial Statements.

Section 172(1) Companies Act 2006 Statement
Section 172(1) of the Companies Act 2006 (the "Act") requires the directors of a company to act in a way that promotes the success of the company for the benefit of its members as a whole. This statement sets out how the Directors have had regard to the matters set out in section 172(1) of the Act when performing their duties. The Directors have acted in a way that they considered, both individually and collectively, in good faith, would be most likely to promote the success of the Company for the benefit of its members, having had regard to the stakeholders set out in section 172(1)(a) to (f) of the Act in the decisions taken during the year.

Allianz UK operated a Combined Board during the year comprising its key operating and holding companies. As a result of the governance structure of Allianz UK, strategic decisions and matters which affect Allianz UK are considered by the Combined Board or its committees to an appropriate extent for Allianz UK. Certain stakeholders and their interests (including employees, community and the environment) are considered at and actions concerning them determined for Allianz UK by the Combined Board and its committees rather than at a subsidiary board level. A majority of the Company's Directors are also directors of the Combined Board and are members of the Allianz UK Executive Committee. This ensures that group-wide strategy and stakeholder considerations are communicated to the Company's Board.

In line with the duty to promote the success of the Company for the benefit of its shareholder, the Company's Board must have regard to the overall strategy and direction of Allianz UK, including the impact on broader stakeholders of Allianz UK, when making decisions. Stakeholders, their interests and the manner in which the Company engages with them, are integral to how the Company conducts business.

The Company's key stakeholders are its shareholder, property tenants, suppliers, service providers, employees working on its business (who are employed by another entity within Allianz UK) as well as wider stakeholders such as the local communities in which it operates and environmental considerations. The Company's Board meets as required. When strategic and operational matters are considered by the Company's Board, the Directors, in compliance with their section 172(1) duties, have regard to the Company's relevant stakeholders and their interests as well as the long-term consequences of their decisions on the Company and Allianz UK.

During 2025 the Company's Board met to approve the Annual Report and Financial Statements for the year ended 31 December 2024 and in approving them considered the interests of its stakeholders, in particular its shareholder and Allianz UK.

On behalf of the Board

M Ruf
Director
25 June 2026

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2025.

As permitted by section 414C(11) of the Act, certain information is not included in the Directors' Report because it has instead been shown in the Strategic Report. This information is:

- Results for the year;
- Principal activities of the Company; and
- Business review and Future prospects.

Directors
The Directors who held office during the year, and up to the date of signing the Financial Statements, were as follows:

C J Holmes
U Lange (resigned 30 November 2025)
M F Ruf (appointed 1 December 2025)
Y Ye

Directors' liabilities
A qualifying third-party indemnity was in force during the financial year and at the date of approval of the Financial Statements.

Dividends
No interim dividend was paid for the year ended 31 December 2025 (2024: £nil). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: £nil).

Going concern
The Directors, having undertaken an assessment, are confident in the Company's ability to continue as a going concern. Refer to the Strategic Report on page 2.

Independent Auditors
Pursuant to section 487(2) of the Act, PricewaterhouseCoopers LLP will be deemed to have been re-appointed as auditors at the end of 28 days beginning with the day on which copies of the report and Financial Statements are sent to Members.

Following the Combined Board's confirmation of its intention to appoint Ernst & Young LLP ("EY") as its next statutory auditor, EY is expected to assume the audit engagement across other Allianz UK subsidiaries including the Company. This is subject to the expected cessation of PricewaterhouseCoopers LLP holding office as statutory auditor after the conclusion of the audit for the financial year ending 31 December 2026. This anticipated change remains subject to formal Board and shareholder approval at the appropriate time.

By order of the Board

C M Twemlow
Company Secretary
25 June 2026

Statement of Directors’ responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Act.

The Directors are responsible for the maintenance and integrity of the Company’s Financial Statements published on the Allianz UK website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors’ confirmations

In the case of each Director in office at the date the Directors’ report is approved:

- so far as the Director is aware, there is no relevant audit information of which the company’s auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

On behalf of the Board

M Ruf
Director
25 June 2026

Independent auditors’ report to the members of Allianz Properties Limited

Report on the audit of the financial statements

Opinion

In our opinion, Allianz Properties Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

● We have audited the financial statements, included within the Annual Report and Financial Statements 2025 (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 December 2025;
- the Statement of Profit and Loss and Other Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities;

- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Reviewing relevant meeting minutes, including those of the directors.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

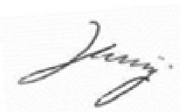
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

- Under the Companies Act 2006 we are required to report to you if, in our opinion:
- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company or returns adequate for our audit have not been received from branches not visited by us; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.



Jamil Kanji (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 June 2026

Statement of Profit and Loss and Other Comprehensive Income for the Year Ended 31 December 2025

	Note	2025 £'000	2024 £'000
Revenue	3	11,671	12,368
Net fair value gains/(losses)	4	3,059	(438)
Realised (losses)/gains	4	(61)	1,124
Administrative expenses		(2,092)	(2,247)
Operating profit		**12,577**	**10,807**
Interest income		75	96
Finance costs		-	(201)
Profit before tax		**12,652**	**10,702**
Income tax expense	5(a)	(3,214)	(3,251)
Profit for the year wholly attributable to the equity holder		**9,438**	**7,451**

There has been no other comprehensive income in the year ended 31 December 2025 (2024: £nil)

The accounting policies and notes on pages 14 to 24 are an integral part of these Financial Statements.

Statement of Changes in Equity for the Year Ended 31 December 2025

	Share capital	Retained earnings	Total
	£'000	**£'000**	**£'000**
Balance as at 1 January 2024	**120,510**	**73,811**	**194,321**
Profit for the year	-	7,451	7,451
Balance as at 31 December 2024	**120,510**	**81,262**	**201,772**
Profit for the year	-	9,438	9,438
Balance as at 31 December 2025	**120,510**	**90,700**	**211,210**

The accounting policies and notes on pages 14 to 24 are an integral part of these Financial Statements.

Statement of Financial Position as at 31 December 2025

	Note	2025 £'000	2024 £'000
Assets			
Investment properties	4	197,975	177,125
Deferred tax assets	5(c)(i)	2,918	2,738
Trade and other receivables	6	25,884	33,595
Cash and cash equivalents	7	9	180
Total assets		**226,786**	**213,638**
Equity and liabilities			
Equity			
Share capital	8	(120,510)	(120,510)
Retained earnings		(90,700)	(81,262)
Total equity		**(211,210)**	**(201,772)**
Liabilities			
Current tax liabilities	5(b)	(7,700)	(5,489)
Deferred tax liabilities	5(c)(ii)	(2,831)	(1,648)
Trade and other payables	10	(5,045)	(4,729)
Total liabilities		**(15,576)**	**(11,866)**
Total equity and liabilities		**(226,786)**	**(213,638)**

The accounting policies and notes on pages 14 to 24 are an integral part of these Financial Statements.

These Financial Statements on pages 10 to 24 were approved by the Board of Directors on 25 June 2026 and signed on its behalf by:

M Ruf
Director
25 June 2026
Allianz Properties Limited
Registered number: 02071488

Statement of Cash Flows for the Year Ended 31 December 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Profit before tax		**12,652**	**10,702**
Adjusted for			
Interest income		(75)	-
Decrease in lease incentives	4	18	186
Realised losses/(gains)	4	61	(1,124)
Net fair value (gains)/losses	4	(3,059)	438
		9,597	**10,202**
Changes in working capital			
Decrease/(increase) in trade and other receivables	6	7,711	(28,400)
Decrease in amounts due to related parties	9	-	(7,928)
Increase/(decrease) in trade and other payables	10	316	(206)
Cash flows generated from/(used in) operating activities		**17,624**	**(26,332)**
Income tax received	5(b)	-	909
Net cash flows generated from/(used in) operating activities		**17,624**	**(25,423)**
Cash flows (used in)/generated from investing activities			
Purchase of investment properties	4	(17,870)	(84)
Proceeds from disposal of properties	4	-	24,624
Interest income		75	-
Net cash flows (used in)/generated from investing activities		**(17,795)**	**24,540**
Net decrease in cash and cash equivalents		**(171)**	**(883)**
Cash and cash equivalents at the beginning of the year	7	**180**	**1,063**
Cash and cash equivalents at end of year	7	**9**	**180**

The accounting policies and notes on pages 14 to 24 are an integral part of these Financial Statements.

1. ACCOUNTING POLICIES

1.1 Company and its operations
The Company is a private limited company incorporated in England and Wales and domiciled in the United Kingdom.

The Company's registered office is shown in the Company Information section on page 1. The principal place of business is:
15 Bishopsgate
London
England
EC2N 3AR

1.2 Statement of compliance
The Financial Statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Act as applicable to companies reporting under those standards.

1.3 Basis of preparation
The Financial Statements have been prepared on the historical cost basis except for the following items, which are measured on the following alternative basis on each reporting date:

Item	Measurement basis
Investment properties	Fair value

The functional and presentational currency is British Pounds.

Going concern
These Financial Statements have been prepared on a going concern basis. Refer to the Strategic Report on page 2.

New standards and interpretations adopted by the Company
There are no new standards and interpretations affecting the Company that are mandatorily effective from 1 January 2025. The accounting policies have been consistently applied unless a new policy has been implemented.

New standards and interpretations not yet adopted by the Company
New standards and interpretations which are not mandatorily effective have not been applied in preparing these Financial Statements. The Company does not plan to adopt these standards early; instead it will apply them from the effective date as determined by the UK Endorsement Board.

International Financial Reporting Standards ("IFRS") 18 'Presentation and Disclosure in Financial Statements'
In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18, which aims to improve comparability and transparency. IFRS 18 is effective for annual periods beginning on or after 1 January 2027. IFRS 18 supersedes IAS 1 'Presentation of Financial Statements' and will result in major consequential amendments to IFRS Accounting Standards. IFRS 18 will not have any effect on the recognition and measurement used for the Financial Statements, however it is expected to have a significant effect on presentation and disclosure. These changes include specified categories and defined subtotals in the Statement of Profit and Loss and Other Comprehensive Income, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures in the notes to the Financial Statements.

IFRS 18 requires retrospective application with specific transition reconciliations between restated profit and loss amounts and those previously presented under IAS 1. The Company intends to adopt IFRS 18 from 1 January 2027 and is assessing the implications of this new standard. No significant change is expected in the scope of disclosures, though the grouping and presentation of information may change.

New amendments to existing standards not yet adopted by the Company
Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments'
In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, effective for annual periods beginning on or after 1 January 2026, that refine derecognition and classification rules and add targeted disclosures. Entities may deem liabilities settled via electronic payment to be discharged (and derecognised) before the settlement date when specified criteria are met. These amendments are not expected to have a material impact on the Company.

Annual Improvements to IFRS Accounting Standards — Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance, effective for annual reporting periods beginning on or after 1 January 2026. These amendments provide clarifications, simplifications, corrections and consistency improvements to IFRS 1 'First time Adoption of International Financial Reporting Standards',

IFRS 7 'Financial instruments: Disclosure' and its Guidance on implementing IFRS 7, IFRS 9 'Financial Instruments', IFRS 10 'Consolidated Financial Statements', and IAS 7 'Statements of Cash Flows'. These amendments are not expected to have a material impact on the Company.

1.4 Summary of material accounting policy information

The Company has identified the accounting policies that are most significant to its business operations and the understanding of its results. In each case, the determination of these is fundamental to the financial results and position, and requires management to make complex judgements based on information and financial data that may change in the future periods. Since these involve the use of assumptions and subjective judgements as to future events and are subject to change, the use of different assumptions or data could produce significantly different results. For judgements made by management in the application of IFRS that have a significant effect on the Financial Statements and estimates with a significant risk of significant adjustments in the next year, refer to note 2.

The material accounting policies adopted in the preparation of the Financial Statements are set out in the following paragraphs:

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

Rental income from investment property is recognised in the Statement of Profit and Loss and Other Comprehensive Income on a straight-line basis over the term of the lease.

Lease incentives being offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution to fit out or similar costs, are an integral part of the net consideration for the use of the property and are therefore recognised on a straight-line basis within rental income.

(b) Realised gains/(losses)

Realised gains/(losses) on investment properties are calculated as the difference between the net sales proceeds and the original or amortised cost ("AC"). Realised gains/(losses) are recognised in the Statement of Profit and Loss and Other Comprehensive Income when the sale transaction occurs.

(c) Net fair value (losses)/gains

Net fair value losses relating to investment properties are recognised immediately in the Statement of Profit and Loss and Other Comprehensive Income.

(d) Income taxes

Income tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit and Loss and Other Comprehensive Income. Current tax and deferred tax shall be recognised outside profit and loss if the tax relates to items that are recognised, in the same or a different period, outside profit and loss.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the SOFP date, together with adjustments to tax payable in respect of prior years.

Deferred income tax is provided in full using the liability method on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the SOFP date. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantially enacted at the SOFP date.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. The carrying amount of deferred income tax assets are reviewed at each SOFP date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Group tax losses are utilised when available. Consideration paid for group relief is accounted for in the Financial Statements as though the payment had been made to the relevant tax authorities.

(e) Investment properties

Property held for long-term rental yields and for capital appreciation is classified as investment property.

Investment properties are initially measured at cost. Subsequently, at each SOFP date such properties are carried at fair value as assessed by qualified external valuers. Fair value is the estimated amount for which a property can be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Properties are treated as acquired when the Company assumes control of the property. An investment property is derecognised when either its use changes or it has been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Properties are treated as disposed when control of the property is transferred to the buyer. Typically, this will either occur on unconditional exchange or on completion. Where completion is expected to occur significantly after exchange, or where the Company continues to have significant outstanding obligations after exchange, the control will not usually transfer to the buyer until completion.

(f) Trade and other receivables
Trade and other receivables are initially recognised and subsequently re-measured at AC after taking into account any impairment losses. Trade and other receivables shall be derecognised when the contractual right to receive cash flows expire or when the asset is transferred.

An expected credit loss (“ECL”) provision is assessed as at the SOFP date and the carrying amount of the receivables balance is reported after deduction of any ECL.

The Company has adopted the “simplified approach” in determining the ECL. Under this approach, the ECL is calculated using an average of write-offs from the past three years. The methodology considers all reasonable and supportable information available, without incurring undue cost or effort in its application.

(g) Trade and other payables
Trade and other payables are initially recognised and subsequently measured at AC because they are expected to be settled within 12 months and their carrying value is a reasonable approximation of fair value.

(h) Leases
Where the Company acts as lessor, it determines whether each lease is a finance or operating lease.

(i) Cash and cash equivalents
Cash and cash equivalents are initially recognised and subsequently re-measured at AC. Cash and cash equivalents have an original maturity of three months or less at the date of placement.

An ECL provision is assessed as at the SOFP date and the carrying amount of the cash and cash equivalents balance is reported after deduction of any ECL.

The ECL is calculated as the AC of the cash and cash equivalents multiplied by a 1 year probability of default ("PD"), an appropriate loss given default ("LGD") and the number of days to maturity as a fraction of a year (“tenor").

2. USE OF CRITICAL ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Company makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities. Estimates, assumptions and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The critical judgements, estimations and assumptions that the Directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements are discussed below:

Investment Property
An all risk yield investment method of valuation has been adopted for estimating the fair value of the investment properties. Judgement and estimation is applied in determining the significant unobservable inputs, these being rental growth, voids, occupancy rates, rent free periods and equivalent yields. Further details concerning the valuation techniques can be found in note 14.

3. REVENUE

	2025	2024
	£'000	£'000
Rental income	11,354	11,540
Service charge income	335	1,014
Lease incentive movement	(18)	(186)
Total revenue	**11,671**	**12,368**

Rental income relates to operating leases.

4. INVESTMENT PROPERTIES

	2025	2024
	£'000	£'000
At 1 January	**177,125**	**201,165**
Additions	17,870	84
Realised (losses)/gains	(61)	1,124
Disposals of investment properties	-	(24,624)
Net fair value gains/(losses)	3,059	(438)
Lease incentive movement	(18)	(186)
At 31 December	**197,975**	**177,125**

During the financial year the Company purchased two properties (2024: none), located in Edinburgh and Basingstoke. These properties were purchased in May 2025 and August 2025 respectively.

Subsequent to the disposal of certain properties in the prior financial year, minor costs associated with these transactions were incurred during the current financial year. These costs have resulted in the recognition of a realised loss of £61k.

Included within the investment properties balance are tenant lease incentive balances totalling £1,930k (2024:£1,948k).

At each SOFP date the portfolio valuation is assessed by qualified external valuers, for more information refer to note 14.

5. INCOME TAX

(a) Income tax recognised in profit and loss

	2025	2024
	£'000	£'000
Current tax:		
In respect of the current year	2,354	3,573
In respect of prior year	(143)	(168)
Total current tax	**2,211**	**3,405**
Deferred tax:		
In respect of current year	1,088	(374)
In respect of prior year	(85)	220
Total deferred tax	**1,003**	**(154)**
Total income tax expense	**3,214**	**3,251**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2025	2024
	£'000	£'000
Profit before tax	**12,652**	**10,702**
Income tax expense calculated at 25.0% (2024: 25.0%)	**3,163**	**2,676**
Effect of expenses not deductible for tax purposes	438	355
Effect of capital losses	(407)	-
Effect of prior year adjustment	(228)	52
Effect of imputed transfer pricing adjustments	248	168
Income tax expense recognised in profit and loss	**3,214**	**3,251**

The Organisation for Economic Cooperation and Development ("OECD") Pillar Two model rules

As a fully consolidated affiliated entity of the Allianz SE Group, the Company is within the scope of the OECD Pillar Two Model rules. Under these rules, a top-up-tax must be paid per jurisdiction for the difference between the Global Anti-Base Erosion ("GloBE") effective tax rate and the 15.0% minimum rate. Local Pillar Two legislation came into effect from 1 January 2024 in the UK, the jurisdiction in which the Company is incorporated. However, as the GloBE effective tax rate of all Allianz UK entities being situated for tax purposes in jurisdiction the UK is expected to be greater than the minimum rate of 15.0%, no additional income tax is expected for the Company. Any transitional reliefs provided by the Pillar Two regulations will be taken as far as possible to reduce compliance and reporting efforts. The Company has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income tax legislation.

(b) Tax received for cash flow purposes

	2025	2024
	£'000	£'000
Current tax liabilities at 1 January	**5,489**	**1,175**
Amounts charged to profit and loss	3,214	3,251
Movements in deferred tax (liability)/asset in the Statement of Profit and Loss and Other Comprehensive Income	(1,003)	154
Tax received during the year	-	909
Current tax liabilities at 31 December	**7,700**	**5,489**

(c) Deferred tax balances

The balance comprises temporary differences attributable to:

(i) Deferred tax assets

	2025	2024
	£'000	£'000
Capital allowances	2,918	2,738
Total deferred tax assets	**2,918**	**2,738**

Movements in relation to deferred tax assets	**Capital allowances**	**Total**
	£'000	**£'000**
At 1 January 2024	**3,172**	**3,172**
Charged		
- to profit and loss	(434)	(434)
At 31 December 2024	**2,738**	**2,738**
Credited		
- to profit and loss	180	180
At 31 December 2025	**2,918**	**2,918**

The balance comprises temporary differences attributable to:

(ii) Deferred tax liabilities

	2025	**2024**
	£'000	**£'000**
Unrealised gains	2,831	1,648
Total deferred tax liabilities	**2,831**	**1,648**

Movements in relation to deferred tax liabilities	**Unrealised gains**	**Total**
	£'000	**£'000**
At 1 January 2024	**2,236**	**2,236**
Credited		
- to profit and loss	(588)	(588)
At 31 December 2024	**1,648**	**1,648**
Charged		
- to profit and loss	1,183	1,183
At 31 December 2025	**2,831**	**2,831**

	2025	**2024**
	£'000	**£'000**
Current deferred tax asset	256	240
Non-current deferred tax assets	2,662	2,498
Non-current deferred tax liabilities	2,831	1,648

6. TRADE AND OTHER RECEIVABLES

	2025	**2024**
	£'000	**£'000**
Trade receivables	5,941	5,820
Amounts due from related parties	19,943	27,775
Total trade and other receivables	**25,884**	**33,595**

Trade and other receivables approximate to fair value. All trade and other receivables are due within 12 months of the SOFP date.

The Company has concluded that the ECL model has made no significant impact on the valuation of receivables reported in the Financial Statements.

7. CASH AND CASH EQUIVALENTS

	2025	2024
	£'000	£'000
Cash and cash equivalents	9	180
Total cash and cash equivalents	**9**	**180**

The Company has concluded that the ECL model has made no significant impact on the valuation of cash and cash equivalents reported in the Financial Statements.

8. EQUITY

Share capital - allotted, called up and fully paid shares

	2025		2024	
	No.	£	No.	£
Ordinary shares of £1 each	120,510,002	120,510,002	120,510,002	120,510,002

The ordinary shares carry full voting rights and qualify for dividends. There are no restrictions on the repayment of capital other than as imposed by the Act.

9. RELATED PARTY TRANSACTIONS

Balances from or to related parties
Year-end balances arising from transactions carried out with related parties are as follows

	2025	2024
	£'000	£'000
Due from related parties		
Parent	19,943	27,044
Other related parties	-	731
Total amounts due from related parties	**19,943**	**27,775**

Intercompany transactions involve the transfer of excess cash to the parent company.

The Company has concluded that the ECL model has made no significant impact on the valuation of receivables reported in the Financial Statements.

The Company considers its key management personnel to be the Directors only. For further information, refer to note 13.

10. TRADE AND OTHER PAYABLES

	2025	2024
	£'000	£'000
Trade payables	-	109
Taxation and social security	446	361
Other payables	4,599	4,259
Total trade and other payables	**5,045**	**4,729**

Trade and other payables approximate to fair value. All of the trade and other payables are payable within 12 months of the SOFP date.

11. AUDITORS' REMUNERATION

The total remuneration payable by the Company excluding VAT, to its auditors in respect of the audit of these Financial Statements, is shown below. The Company's audit fees are borne by Allianz Management Services Limited ("AMS"). Other services supplied pursuant to legislation were £nil (2024: £nil).

	2025	2024
	£'000	£'000
Fees payable to the Company's auditors and associates	47	47

12. EMPLOYEE RELATED COSTS

The Company has no employees (2024: none) and, as such, incurs no employee-related costs (2024: £nil). AMS provides services and staff resources to the Company as well as to other Allianz UK companies.

13. DIRECTORS' EMOLUMENTS

Two Directors (2024: two) were remunerated by AMS. Two Directors (2024: one) were remunerated by Allianz SE, with costs borne by AMS.

One individual who was previously a Director of the Company received a payment from AMS relating to their time in office as a Director.

The Directors provided services to Allianz UK and its subsidiaries including the Company. For one Director remunerated by AMS, no remuneration was paid for their directorship in the Company. For the other three Directors, it is not possible to make an accurate apportionment of their remuneration in respect of their roles as a Director of the Company. AMS is a Allianz UK services company and does not recharge to the Company for such costs. Consequently, no remuneration is disclosed for these Directors.

14. RISK MANAGEMENT POLICIES

Capital management
The Company's capital risk is determined with reference to the requirements of the Group. In managing capital, the Company seeks to maintain sufficient, but not excessive, financial strength to support the payment of dividends and the requirements of all stakeholders. The sources of capital used by the Company are total equity. At 31 December 2025 the Company had £211,210k (2024: £201,772k) of total capital employed.

The Company manages a portfolio of investment properties based in the United Kingdom. Its operations are entirely based in the United Kingdom hence any risk exposure is almost entirely confined within the United Kingdom.

Financial risk
The key financial risk is that proceeds from the realisation of assets are insufficient to meet obligations as they fall due. The most important aspects of financial risk comprise market risk, credit risk and liquidity risk.

Market risk
Market risk is the risk that changes in market prices, such as interest rates, foreign currency exchange rates and equity prices will affect the value of the Company's assets and income. The Company is exposed to market risk through its investment property insofar as investment property valuations will affect the value of the Company's assets and income. The Company manages this risk by investing in high quality properties and regularly reviewing the portfolio.

Credit risk
Credit risk is the risk that a counterparty will be unable to pay amounts due to the Company in full when they fall due. The Company is exposed to credit risk through its trade and other receivables and cash and cash equivalents. The Company manages credit risk for trade and other receivables by limiting the amount of exposure with each counterparty. All trade and other receivables are due within one year of the SOFP date. The Company deems the risk associated with its cash and cash equivalents to be low as the cash balances are held with a financial institution with an A credit rating.

Liquidity risk
Liquidity risk is the risk that funds might not be available to settle obligations when they fall due. The Company is exposed to liquidity risk through its trade and other payables and current tax liabilities. All trade and other payables, are payable within one year of the SOFP date. The Company has sufficient liquid current assets to be able to settle the current liabilities at the SOFP date.

Fair value hierarchy
A three-level fair value hierarchy for financial assets is used by the Company depending on the inputs used to determine fair value. The fair value hierarchy has the following levels:

Level 1: quoted prices in active markets for identical assets.

Level 2: valuation technique which uses the current prices in an active market of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Level 3: if one or more of the significant inputs is not based on observable market data.

The investment properties are all classified as level 3 (2024: level 3).

Reconciliation of opening and closing balances for level 3 fair value measurement:

	At 1 January	Additions	Disposals	Lease incentives / fair value gains	Realised losses	At 31 December
	£'000	£'000	£'000	£'000	£'000	£'000
2025						
Investment properties	177,125	17,870	-	3,041	(61)	197,975
Total	**177,125**	**17,870**	**-**	**3,041**	**(61)**	**197,975**

	At 1 January	Additions	Disposals	Lease incentives / fair value losses	Realised gains	At 31 December
	£'000	£'000	£'000	£'000	£'000	£'000
2024						
Investment properties	201,165	84	(24,624)	(624)	1,124	177,125
Total	**201,165**	**84**	**(24,624)**	**(624)**	**1,124**	**177,125**

Sensitivity to changes in unobservable inputs
An all risk yield investment method of valuation has been adopted for estimating the fair value of the investment properties, whereby the rental income stream is capitalised at an appropriate capitalisation rate based on current comparable rental and investment transactions. In considering the evidence, the net initial and, where known, equivalent and reversionary yields, have been used to inform the valuation, capitalising the net income to achieve an appropriate net initial yield, reversionary yield on the Market Rent ("MR"), and equivalent yield on the full income stream. A 5% sensitivity has been disclosed but is just indicative, the actual valuations could fluctuate by a wider margin.

Significant unobservable inputs:

Rental growth	Factored into the yield applied (location/sector specific)
Voids	3-18 months
Occupancy rate	Average 88.78%
Rent free	3-12 months upon re-letting
Equivalent yields applied	5.20% - 10.30%

Sensitivity analysis changes in key unobservable inputs:

	Net equivalent yield ("NEY")	Estimated rental value ("ERV")	Portfolio valuation
	%	**£'000**	**£'000**
Base portfolio	6.43%	13,676	197,975
+5.0% ERV	6.44%	14,360	205,709
-5.0% ERV	6.42%	12,993	190,234
+5.0% NEY	6.95%	13,676	183,091
-5.0% NEY	5.90%	13,676	215,578
-5.0% NEY, -5.0% ERV	5.89%	12,993	207,045
+5.0% NEY, +5.0% ERV	6.96%	14,360	190,157
-5.0% NEY,+5.0% ERV	5.92%	14,360	224,103
+5.0% NEY, -5.0% ERV	6.94%	12,993	176,018

The Company is unaware of any restrictions on the realisability of any of the investment properties or the remittance of income or proceeds of disposal.

15. PARENT AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Allianz Insurance plc, a company registered in England and Wales. The ultimate parent undertaking and controlling party, Allianz SE, is incorporated in Germany and is the parent of the largest and smallest group of undertakings for which consolidated group Financial Statements are drawn up and of which the Company is a member. Copies of the consolidated Allianz SE Group Financial Statements are available on request from the ultimate parent's registered address, Allianz SE, Königinstrasse 28, 80802 München, Germany.

16. DIVIDENDS

No interim dividend was paid during the year ended 31 December 2025 (2024: £nil). The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: £nil).

17. OPERATING LEASE COMMITMENTS

Leases as lessor
The properties are let under operating leases. The future minimum lease receipts under non-cancellable leases are as follows:

	2025	2024
	£'000	£'000
No later than one year	10,850	10,256
After one year but no more than five years	37,561	34,418
After five years	12,378	14,437
Total operating lease commitments	**60,789**	**59,111**

18. SUBSEQUENT EVENTS

There have been no material subsequent events after the SOFP date.