الاتحاد العقارية
Union Properties

Detailed analysis of accumulated losses

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market

Date:	28 October 2025
Name of the Listed Company:	Union Properties PJSC
Define the period of the financial statements:	Period ended 30 September 2025
Value of the Accumulated losses:	Nil.
Accumulated losses to paid-up capital ratio (%):	Not applicable. The Company has retained earnings as of 30 September 2025 amounting to AED 125.3 million.
The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):	The losses are mainly a product of significant provisioning of the following: • Fair value loss of AED 2,076 million related to investment properties recorded in the fiscal year 2017 • Fair value loss of AED 1,109 million related to investment properties recorded in the fiscal year 2021 • Loss on disposal of an associate of AED 250 million recorded in the fiscal year 2020 • Losses and impairments from financial instruments at FVTPL amounting to AED 337 million • Disposal of assets to related parties amounting to AED 62 million 2020 and AED 45.5 million in 2021 • Provisions amounting to AED 90.5 million against advances to contractors in 2021
Summary of the steps and initiatives undertaken by the company to address the accumulated losses:	On 22 April 2025, the Company's General Assembly approved a capital restructuring plan, authorizing the Board of Directors to proceed with the necessary actions in accordance with applicable laws and subject to approval by the relevant authorities. On 7 August 2025, Securities & Commodities Authority ("SCA") approved the share capital reduction whereby the issued share capital of the Company was reduced to 2,857,926,134. The retained earnings as of 30 September 2025 after the share capital reduction amounted to AED 125.3 million.

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The Name of the Authorized Signatory	Eng. Amer Khansaheb
Designation	CEO & Board Member
Signature and Date	28-10-2025
Company Stamp:	

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Union Properties PJSC
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