

UNION COOP

INTERIM CONDENSED FINANCIAL STATEMENTS

**FOR THE THREE-MONTH PERIOD ENDED
31 MARCH 2026 (UNAUDITED)**

Union Coop

Review report and interim condensed financial statements

For the three-month period ended 31 March 2026

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF UNION COOP

Introduction

We have reviewed the accompanying interim condensed financial statements of Union Coop (the "Coop") as at 31 March 2026 which comprise the interim statement of financial position as at 31 March 2026 and the related interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting ("IAS 34") as modified by the UAE Ministry of Economy and Tourism ("MOET") clarification T.M/15/2026. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 as modified by the MOET clarification T.M/15/2026.

Ernst & Young Middle East (Dubai Branch)



Wardah Ebrahim
Registration No.: 1,258

11 May 2026

Dubai, United Arab Emirates

Union Coop

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026 (unaudited)

		<i>31 Mar</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
Assets			
Property and equipment	4	1,976,791,504	1,979,869,662
Investment properties		530,090,895	534,725,750
Intangible assets		4,482,655	3,837,515
Right-of-use assets		524,879,810	525,037,803
Capital advances		1,119,543	7,387,375
Investment in associate		5,988,903	5,611,385
Non-current assets		3,043,353,310	3,056,469,490
Inventories	5	362,973,771	340,305,911
Trade and other receivables	6	98,252,746	85,169,659
Bank balances and cash	7	319,407,403	155,613,586
Current assets		780,633,920	581,089,156
TOTAL ASSETS		3,823,987,230	3,637,558,646
Equity			
Share capital	8	1,764,138,140	1,764,138,140
Legal reserve		882,069,070	882,069,070
Defined benefit obligations reserve		(258,361)	(258,361)
Community responsibility reserve		(742,179)	667,273
Treasury stock		(95,527,209)	(95,527,209)
Retained earnings		172,421,462	68,667,968
Total equity		2,722,100,923	2,619,756,881
Liabilities			
Employees' end of service benefits		31,329,689	30,653,525
Deferred tax liability	16	6,981,156	6,981,156
Lease liability		538,101,591	537,017,109
Non-current liabilities		576,412,436	574,651,790
Lease liability		23,311,942	21,026,416
Current tax liability	16	41,072,658	30,660,785
Trade and other payables	11	461,089,271	391,462,774
Current liabilities		525,473,871	443,149,975
Total liabilities		1,101,886,307	1,017,801,765
TOTAL EQUITY AND LIABILITIES		3,823,987,230	3,637,558,646

To the best of our knowledge, the interim condensed financial statements for the three months period ended 31 March 2026 are prepared, in all material respects, in accordance with IAS 34, as modified by the MOET clarification T.M/15/2026. The interim condensed financial statements were authorised for issue by the Coop's Board of Directors on 11 May 2026.



Chairman



Chief Executive Officer



Treasurer

The notes on pages 9 to 21 are an integral part of these condensed interim financial statements.

Union Coop

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three-month period ended 31 March 2026 (unaudited)

	Note	<i>For three-month period ended 31 March</i>	
		2026	2025
		<i>AED (unaudited)</i>	<i>AED (unaudited)</i>
Income from sales of goods	13	611,606,924	529,910,101
Income from other operating activities		56,151,224	56,746,209
Other income		6,876,164	2,108,386
Finance income		1,610,524	2,854,538
Total income from operating activities		676,244,836	591,619,234
Cost of goods		(416,387,016)	(343,839,784)
Staff costs		(56,179,300)	(52,443,363)
Depreciation and amortisation expenses		(26,058,675)	(22,752,414)
Utility expenses		(15,725,265)	(14,374,087)
Marketing expenses		(9,110,056)	(12,086,368)
Finance costs		(5,659,668)	(7,690,245)
Repair and maintenance expenses		(4,498,644)	(3,495,040)
Other expenses		(27,525,863)	(21,984,661)
Share of profit of associate		377,518	398,959
Profit before tax, directors` remuneration and community responsibility expenses		115,477,867	113,352,231
Directors` remuneration expense		(1,312,500)	(1,312,500)
Community responsibility expenses		(1,409,452)	(2,625,987)
Profit before tax and after directors` remuneration and community responsibility expenses		112,755,915	109,413,744
Income tax expense	16	(10,411,873)	(10,055,942)
Profit after tax		102,344,042	99,357,802
Earnings per share – Basic (AED)	10	0.06	0.06
Earnings per share – Diluted (AED)	10	0.06	0.06

The notes on pages 9 to 21 are an integral part of these condensed interim financial statements.

Union Coop

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2026 (unaudited)

	Note	Share capital AED	Legal reserve AED	Defined benefit obligations reserve AED	Community responsibility reserve AED	Treasury stock AED	Retained earnings / (accumulated losses) AED	Total AED
At 1 January 2025 (audited)		1,764,138,140	882,069,070	(190,962)	3,858,068	(95,527,209)	14,629,992	2,568,977,099
<i>Total comprehensive income for the period</i>								
Profit for the period		-	-	-	-	-	99,357,802	99,357,802
Total comprehensive income for the period		-	-	-	-	-	99,357,802	99,357,802
<i>Transactions with shareholders</i>								
Dividend paid		-	-	-	-	-	(281,953,436)	(281,953,436)
Community responsibility allocation		-	-	-	6,141,932	-	(6,141,932)	-
<i>Total transactions with shareholders</i>		-	-	-	6,141,932	-	(288,095,368)	(281,953,436)
<i>Other movements</i>								
Utilization of community responsibility reserve		-	-	-	(2,625,987)	-	2,625,987	-
<i>Total other movements</i>		-	-	-	(2,625,987)	-	2,625,987	-
At 31 March 2025 (unaudited)		<u>1,764,138,140</u>	<u>882,069,070</u>	<u>(190,962)</u>	<u>7,374,013</u>	<u>(95,527,209)</u>	<u>(171,481,587)</u>	<u>2,386,381,465</u>

The notes on pages 9 to 21 are an integral part of these condensed interim financial statements.

Union Coop

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY *(continued)*

For the three-month period ended 31 March 2026 (unaudited)

	<i>Note</i>	<i>Share capital</i> <i>AED</i>	<i>Legal reserve</i> <i>AED</i>	<i>Defined benefit obligations reserve</i> <i>AED</i>	<i>Community responsibility reserve</i> <i>AED</i>	<i>Treasury stock</i> <i>AED</i>	<i>Retained earnings</i> <i>AED</i>	<i>Total</i> <i>AED</i>
At 1 January 2026 (audited)		1,764,138,140	882,069,070	(258,361)	667,273	(95,527,209)	68,667,968	2,619,756,881
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	102,344,042	102,344,042
Total comprehensive income for the period		-	-	-	-	-	102,344,042	102,344,042
Transactions with shareholders								
Dividend paid		-	-	-	-	-	-	-
Community responsibility allocation		-	-	-	-	-	-	-
Total transactions with Shareholders		-	-	-	-	-	-	-
Other movements								
Utilization of community responsibility reserve		-	-	-	(1,409,452)	-	1,409,452	-
Total other movements		-	-	-	(1,409,452)	-	1,409,452	-
At 31 March 2026 (unaudited)		1,764,138,140	882,069,070	(258,361)	(742,179)	(95,527,209)	172,421,462	2,722,100,923

The notes on pages 9 to 21 are an integral part of these condensed interim financial statements.

Union Coop

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2026 (unaudited)

	<i>Note</i>	<i>For three-month period ended 31 March</i>	
		2026 AED <i>(unaudited)</i>	2025 AED <i>(unaudited)</i>
<i>Cash flows from operating activities</i>			
Profit before tax			109,413,744
		112,755,915	
<i>Adjustments for:</i>			
Depreciation of property and equipment		12,781,921	12,845,483
Depreciation of Investment property		4,401,466	3,674,204
Amortisation of intangible assets		319,666	222,150
Depreciation of right of use of assets		8,555,622	6,010,577
Gain on sale of property and equipment and investment properties		638,318	(53,505)
Provision for defined benefit obligations		1,135,257	1,005,200
Provision/ (reversal) for impairment of trade and other receivables		170,289	(462,907)
(Write back)/ provision for slow moving imported inventories - net		(997,102)	229,715
Finance income		(1,610,524)	(2,854,538)
Finance cost - lease liability		5,654,578	7,679,472
Gain on derecognition / adjustment of right-of-use asset		109,200	-
Share of profit of associate		(377,518)	(398,959)
		143,537,088	137,310,636
<i>Changes in</i>			
Inventories	5	(21,670,758)	(36,084,294)
Trade and other receivables	6	(13,253,376)	6,758,104
Trade and other payables	10	69,626,497	59,573,385
		178,239,451	167,557,831
Payment of employees' end of service benefits		(459,093)	(1,449,685)
Net cash generated from operating activities		177,780,358	166,108,146
<i>Cash flows from investing activities</i>			
Acquisition of property and equipment		(10,263,582)	(14,905,124)
Acquisition of intangible assets		(964,806)	-
Proceeds from sale of property and equipment		154,890	311,070
Interest received		1,610,524	2,854,538
Addition in short-term deposits		-	(32,200,000)
Reduction/(additions) in capital advances		6,267,832	(1,971,163)
Net cash used in investing activities		(3,195,142)	(45,910,679)
<i>Cash flows from financing activities</i>			
Payment of lease liability		(5,136,821)	(5,212,496)
Interest payment		(5,654,578)	(7,679,472)
Net cash used in financing activities		(10,791,399)	(12,891,968)
Net increase in cash and cash equivalents		163,793,817	107,305,499
Cash and cash equivalents at 1 January		155,613,586	123,691,354
Cash and cash equivalents at 31 March	7	319,407,403	230,996,853

The notes on pages 9 to 21 are an integral part of these condensed interim financial statements.

1. LEGAL STATUS AND ACTIVITIES

Union Coop (“the Coop” formerly the “Society”) is registered as a Co-Operative Society in the Emirate of Dubai via a ministerial decree No. 31/2, dated 24 May 1982, issued by the Ministry of Social Affairs and is registered with the Federal Authority under No. 12 in the Co-operative management records. The registered office address of the Coop is P.O. Box 3861, Dubai, United Arab Emirates. The Coop changed its name from Union Co-operative Society to Union Coop on 1 August 2016. In August 2022 the Federal Decree- Law No. 6 of 2022 on cooperatives was released to govern the cooperatives in the United Arab Emirates, the law came into effect in December 2022 and was later repealed by the Cabinet Resolution No. (55) of 2024 Concerning the Executive Regulations of Federal Decree-Law No. (6) of 2022.

The principal activity of the Coop is establishing and managing hypermarkets in the United Arab Emirates (“UAE”). The purpose of incorporation of the Coop is to improve the social and economic affairs of its members and to serve the community by following the co-operative principles documented in the Coop’s Memorandum of Association and the UAE Federal Law No. 6 of 2022 pertaining to co-operative societies.

On 18 July 2022, the Coop listed 100% ordinary shares on the Dubai Financial Market (“DFM” or the “Exchange”). The share capital of the Coop comprises of undividable shares of AED 1 each payable in full on application to be a member of the Coop. Each member is entitled to a share in the Coop’s share capital up to a maximum of 10%. For each member one vote is allowed in the general assembly, regardless of the number of shares owned by a particular member.

2. BASIS OF PREPARATION

Statement of compliance

These interim condensed financial statements for the three-month period ended 31 March 2026 have been prepared in accordance with International Accounting Standard 34 as modified by the MOET clarification T.M/15/2026 dated 10 March 2026 and the requirements of Cabinet Resolution No. (55) of 2024 Concerning the Executive Regulations of Federal Decree-Law No. (6) of 2022. These rules, regulations and clarification require the adoption of all IFRS Accounting Standards as issued by IASB, except for:

- the recognition of return on members’ dealings within the statement of changes in equity instead of statement of profit or loss via clarification # T.M/15/2026, dated 10 March 2026.

The above framework for basis of preparation of the interim financial statements of the Coop is hereinafter referred to as ‘International Accounting Standard 34 as modified by the UAE Ministry of Economy and Tourism (“MOET”) clarification T.M/15/2026’.

Basis of accounting

These interim condensed financial statements have been prepared on the historical cost basis. The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2025 except for the adoption of new standards and interpretations as of 1 January 2026. These new standards and interpretations did not have any major impact on the accounting policies, financial position or performance of the Coop. The Coop did not early adopt any standard, interpretation or amendment that was issued but is not yet effective. Several other amendments and interpretations apply for the first time in 2026, but do not have any material impact on the interim condensed financial statements of the Coop.

These interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as modified by the MOET clarification T.M/15/2026 and should be read in conjunction with the Coop’s last annual financial statements for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Coop’s financial position and performance since the last annual financial statements.

2. BASIS OF PREPARATION (continued)

Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (“AED”), which is the Coop’s functional currency.

Use of estimates and judgements

In preparing these interim condensed financial statements, significant judgments made by the management in applying the Coop’s accounting policies and the key sources of estimation were the same as those that were applied to the financial statements as at and for the year ended 31 December 2025.

Financial risk management

The Coop’s activities potentially expose it to a variety of financial risks as follows:

- Market risk (including currency risk, price risk, cash flow);
- Credit risk; and
- Liquidity risk

The interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statement, and should be read in conjunction with the Coops’s annual financial statements as at 31 December 2025. The Coop’s financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2025.

An escalation of geopolitical tensions has been observed in certain regions of the Middle East. While government and regulatory authorities have publicly affirmed the resilience of the economy and the continuity of business operations. Accordingly, no adjustments have been made to the financial statements as of the reporting date.

Seasonality of operations

The Coop does not experience material seasonality in operations and revenue and profits are expected to be consistent throughout the period.

3. OPERATING SEGMENTS

A. Basis for segmentation

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Coop that are regularly reviewed by the Board of Directors in order to allocate resources to the segment and to assess its performance.

Information reported to the Coop's Board of Directors for the purposes of resource allocation and assessment of segment performance is specifically focused on the type of business activities undertaken as a Coop. For operating purposes, the Coop is organised into three major business segments:

- (i) Retail: business from operations in relation to the sale of goods at hypermarkets;
- (ii) E-commerce: business from the online shopping platforms of the Coop; and
- (iii) Investment: rental business from shopping centers.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

For the three-month period ended 31 March 2025

3. OPERATING SEGMENTS (continued)

The following table presents information regarding the Coop's operating segments for the three months and three-month periods ended 31 March 2026 and 31 March 2025 (The disclosures in the tables below have been prepared using the same accounting policies as those applied to prepare the financial statements):

B. Information about reportable segments

<i>For the three-month period ended</i>	<i>Retail</i>	<i>E-</i>	<i>Real</i>	<i>Total</i>
	<i>Retail</i>	<i>commerce</i>	<i>estate</i>	
<i>31 March 2026 (unaudited)</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>
Income from sales of goods	553,645	57,962	-	611,607
Income from other operating activities	6,882	493	48,776	56,151
Other income	4,633	23	2,220	6,876
Finance income	1,499	-	112	1,611
Cost of goods	(371,688)	(44,699)	-	(416,387)
Staff costs	(49,879)	(1,909)	(4,391)	(56,179)
Depreciation and amortisation expenses	(19,019)	(9)	(7,031)	(26,059)
Utility expenses	(11,437)	-	(4,288)	(15,725)
Marketing expenses	(8,180)	(927)	(3)	(9,110)
Finance costs	(4,252)	-	(1,408)	(5,660)
Repair and maintenance expenses	(2,872)	-	(1,627)	(4,499)
Other expenses	(18,929)	(4,722)	(3,875)	(27,526)
Share of profit from associate	378	-	-	378
Profit before tax, directors' remuneration and community responsibility expenses	80,781	6,212	28,485	115,478
<i>For the three-month period ended</i>	<i>Retail</i>	<i>E-commerce</i>	<i>Real estate</i>	<i>Total</i>
<i>31 March 2026 (unaudited)</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>
Segment assets	3,162,478	190	661,319	3,823,987
Equity accounted investees	5,989	-	-	5,989
Capital expenditure	10,264	-	-	10,264
Segment liabilities	931,116	-	170,770	1,101,886
<i>For the three-month period ended</i>	<i>Retail</i>	<i>E-commerce</i>	<i>Real estate</i>	<i>Total</i>
<i>31 March 2025 (unaudited)</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>	<i>AED' 000</i>
Income from sales of goods	490,474	39,436	-	529,910
Income from other operating activities	11,851	2,998	41,897	56,746
Other income	1,913	20	175	2,108
Finance income	2,637	-	218	2,855
Cost of goods	(311,114)	(32,726)	-	(343,840)
Staff costs	(45,709)	(1,623)	(5,111)	(52,443)
Depreciation and amortisation expenses	(17,284)	(30)	(5,438)	(22,752)
Utility expenses	(10,923)	-	(3,451)	(14,374)
Marketing expenses	(11,745)	(331)	(10)	(12,086)
Finance costs	(6,082)	(341)	(1,268)	(7,691)
Repair and maintenance expenses	(2,556)	(38)	(901)	(3,495)
Other expenses	(15,257)	(3,535)	(3,193)	(21,985)
Share of profit of associate	399	-	-	399
Profit before tax, directors' remuneration and community responsibility expenses	86,604	3,830	22,918	113,352

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

For the three-month period ended 31 March 2025

3. OPERATING SEGMENTS (continued)

B. Information about reportable segments (continued)

<i>For the three-month period ended 31 March 2025 (audited)</i>	<i>Retail AED' 000</i>	<i>E-commerce AED' 000</i>	<i>Real estate AED' 000</i>	<i>Total AED' 000</i>
Segment assets	3,452,529	85	563,618	4,016,232
Equity accounted investees	6,069	-	-	6,069
Capital expenditure	16,716	-	-	16,716
Segment liabilities	1,499,926	-	129,925	1,629,851

There were no inter-segment sales during the period. All revenue is earned in the United Arab Emirates. Allocation of expenses is determined by management for resource allocation purposes. The accounting policies of the reportable segments are the same as the Coop's accounting policies used in the audited financial statements for the year ended 31 December 2025.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are common within the operating segments and mainly relate to retail segment with exception to investment properties that relate to investment segment.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

4. PROPERTY AND EQUIPMENT

	<i>Land</i>	<i>Buildings</i>	<i>Fit-Out</i>	<i>Computer hardware</i>	<i>Motor vehicles</i>	<i>Furniture and fixtures</i>	<i>Equipment and tools</i>	<i>Capital work-in-progress</i>	<i>Total</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
<i>Cost</i>									
At 1 January 2025 (audited)	1,262,291,019	1,147,719,981	-	35,026,940	16,912,021	43,325,599	221,101,112	50,690,710	2,777,067,382
Additions	-	8,782,396	5,982,780	1,335,435	-	6,229,826	11,592,498	30,231,363	64,154,298
Transfers from capital work in progress	-	46,937,430	13,283,772	112,623	-	-	221,139	(60,554,964)	-
Transfers to intangible assets	-	-	-	-	-	-	-	(755,000)	(755,000)
Transfer to investment properties	-	(107,078,193)	-	-	-	-	-	-	(107,078,193)
Disposals	(63,975,904)	(29,410)	-	(1,085,071)	(512,900)	(2,691,621)	(8,544,945)	-	(76,839,851)
Write off	-	-	-	-	-	-	-	(11,139,592)	(11,139,592)
At 1 January 2026 (audited)	1,198,315,115	1,096,332,204	19,266,552	35,389,927	16,399,121	46,863,804	224,369,804	8,472,517	2,645,409,045
Additions during the period	-	-	3,957,552	120,923	-	3,239,760	2,817,629	127,718	10,263,582
Disposals during the period	-	(251,944)	-	(1,337,603)	(172,000)	(25,869)	(1,194,188)	-	(2,981,604)
At 31 March 2026 (unaudited)	<u>1,198,315,115</u>	<u>1,096,080,260</u>	<u>23,224,104</u>	<u>34,173,247</u>	<u>16,227,121</u>	<u>50,077,695</u>	<u>225,993,245</u>	<u>8,600,235</u>	<u>2,652,691,023</u>

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

4. PROPERTY AND EQUIPMENT (*continued*)

	<i>Land</i>	<i>Buildings</i>	<i>Fit-Out</i>	<i>Computer hardware</i>	<i>Motor vehicles</i>	<i>Furniture and fixtures</i>	<i>Equipment and tools</i>	<i>Capital work-in-progress</i>	<i>Total</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
<i>Accumulated depreciation and impairment losses</i>									
At 1 January 2025 (audited)	181,647,386	289,147,256	-	28,157,030	14,063,478	33,577,035	153,352,785	-	699,944,970
Charge for the year	-	23,936,524	1,096,774	2,755,294	944,702	5,809,554	15,725,099	-	50,267,947
(Reversal of)/ impairment during the year	(84,003,858)	23,540,572	-	-	-	-	-	-	(60,463,286)
Impairment write off	-	(12,449,156)	-	-	-	-	-	-	(12,449,156)
Disposals	-	(29,409)	-	(1,053,581)	(414,227)	(2,468,857)	(7,795,019)	-	(11,761,093)
At 1 January 2026 (audited)	97,643,528	324,145,787	1,096,774	29,858,743	14,593,953	36,917,732	161,282,865	-	665,539,383
Charge for the period	-	5,885,193.00	545,347.00	602,829	230,109	1,572,964	3,945,478	-	12,781,920
Disposals during the period	-	(27,561)	-	(1,335,372)	(172,000)	(23,181)	(863,670)	-	(2,421,784)
At 31 March 2026 (unaudited)	97,643,528	330,003,419	1,642,121	29,126,200	14,652,062	38,467,515	164,364,674	-	675,899,519
<i>Net carrying amount</i>									
At 31 December 2025 (audited)	<u>1,100,671,587</u>	<u>772,186,417</u>	<u>18,169,778</u>	<u>5,531,184</u>	<u>1,805,168</u>	<u>9,946,072</u>	<u>63,086,939</u>	<u>8,472,517</u>	<u>1,979,869,662</u>
At 31 March 2026 (unaudited)	<u>1,100,671,587</u>	<u>766,076,841</u>	<u>21,581,983</u>	<u>5,047,048</u>	<u>1,575,059</u>	<u>11,610,180</u>	<u>61,628,571</u>	<u>8,600,235</u>	<u>1,976,791,504</u>

- a) Certain buildings of the Coop are constructed on plots of lands granted by H.H. Ruler of Dubai. These plots of lands are recorded in the Coop's books at nominal value of AED 1. The value of other plots of land carried at cost represents the value of plots purchased.

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

5. INVENTORIES

	<i>31 March</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
Goods for resale	354,234,592	330,705,180
Imported goods for sale	4,738,394	6,815,133
Less: provision for slow moving items	<u>(2,490,519)</u>	<u>(3,487,621)</u>
	356,482,467	334,032,692
Consumables	6,491,304	5,738,618
Goods in transit	<u>-</u>	<u>534,601</u>
	<u>362,973,771</u>	<u>340,305,911</u>

The movement in the provision for slow moving imported inventories is as follows:

	<i>31 March</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
At the beginning of period/year	3,487,621	3,805,682
Reversal for the period/ year	<u>(997,102)</u>	<u>(318,061)</u>
At the end of the period/year	<u>2,490,519</u>	<u>3,487,621</u>

The Coop has the right to return or substitute the expired or slow moving good purchased from local suppliers, therefore the local inventory is not subject to losses as per the agreements with the suppliers. However, imported goods are subject to inventory losses and accordingly are measured at lower of cost or net realizable value.

6. TRADE AND OTHER RECEIVABLES

	<i>31 March</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
Trade receivables	24,786,223	19,466,435
Rent receivables	28,846,147	24,340,458
Due from a related party	14,718,995	14,499,877
Prepaid expenses	14,564,327	9,392,392
Deposits	11,960,746	11,677,436
Credit card sales receivable	8,672,017	10,759,736
Advance to suppliers	12,937,756	14,604,441
Accrued income on short-term deposits	1,366	537,346
Other receivables	<u>17,643,911</u>	<u>15,599,991</u>
	134,131,488	120,878,112
Less: provision for impairment loss	<u>(35,878,742)</u>	<u>(35,708,453)</u>
	<u>98,252,746</u>	<u>85,169,659</u>

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

6. TRADE AND OTHER RECEIVABLES (*continued*)

Movements on the provision for impairment loss on trade and rent receivables are as follows:

	<i>31 March</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
At 1 January	35,708,453	40,862,211
Net charge / (reversal)	170,289	(954,872)
Write-off during the period / year	-	(4,198,886)
At period end	<u>35,878,742</u>	<u>35,708,453</u>

7. BANK BALANCES AND CASH

	<i>31 March</i> <i>2026</i> <i>AED</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>AED</i> <i>(audited)</i>
Cash at banks	317,209,490	33,492,373
Cash on hand	2,197,913	1,895,263
Short term deposits	-	120,225,950
Total bank balances and cash	<u>319,407,403</u>	<u>155,613,586</u>
Short term deposits with more than 3 months maturity	-	-
Cash and cash equivalents	<u>319,407,403</u>	<u>155,613,586</u>

8. SHARE CAPITAL

	<i>31 March</i> <i>2026</i> <i>(unaudited)</i>	<i>31 December</i> <i>2025</i> <i>(audited)</i>
Number of shares	<u>1,764,138,140</u>	<u>1,764,138,140</u>
Ordinary shares in AED	<u>1,764,138,140</u>	<u>1,764,138,140</u>

There has been no movement in the number and value of shares in both reporting periods.

9. LEGAL RESERVE

In accordance with the article 52 of the Cabinet Resolution of 2024 Concerning the Executive Regulations of Federal Decree-Law of 2022 Concerning Cooperative Associations, 10% of the profit for the year is transferred to a legal reserve, which is not distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid-up share capital. Transfers to the legal reserve have not been made during the year 2025 as a result of reaching the 50% capital rule in prior years.

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

10. EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Coop, amounting to AED 102,344,042 (2025: AED 99,357,805) by the weighted average number of shares outstanding during the year, excluding treasury shares, of 1,745,570,120 (2025: 1,745,570,120).

The Coop has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

11. TRADE AND OTHER PAYABLES

	<i>31 March</i> 2026 AED (<i>unaudited</i>)	<i>31 December</i> 2025 AED (<i>audited</i>)
Trade payables	338,708,980	260,895,730
Unearned income	36,385,371	29,742,242
Provision for staff expenses	15,073,093	28,883,815
Accruals	14,949,471	18,057,209
Retentions payable	2,294,537	2,435,424
Due to a related party (<i>refer to note 12</i>)	546,555	734,424
Other payables	53,131,264	50,713,930
	<u>461,089,271</u>	<u>391,462,774</u>

12. RELATED PARTY TRANSACTIONS AND BALANCES

The Coop, in the normal course of business, carries out transactions with other business entities that fall within the definition of a related party as per IAS 24. Related parties comprise the Coop's directors, associates and other businesses over which the members have the ability to control or exercise significant influence over their financial and operating decisions and key management personnel.

(a) *Related party transactions*

During the year, the following significant transactions were carried out with related parties at mutually agreed terms and conditions:

	<i>For three-month period ended 31 March</i>	
	2026 AED (<i>unaudited</i>)	2025 AED (<i>unaudited</i>)
<i>Consumer Co-operative Union (associate)</i>		
Purchases of goods	3,805,145	3,820,628
Payments	3,464,953	3,795,817
	<u> </u>	<u> </u>
<i>Umm Al Quwain Co-operative Society (affiliate)</i>		
Sale of goods, net	1,362,636	1,578,224
Expense allocation	313,492	306,232
	<u> </u>	<u> </u>

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

12. RELATED PARTY TRANSACTIONS AND BALANCES (*continued*)

(b) *Key management remuneration excluding Board of Directors*

	<i>For three-month period ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Salaries and short-term benefits	2,902,105	3,446,419
Provision for end of service benefits	131,944	179,464
Contribution paid to social security scheme	93,750	112,500

(c) *Compensations to the Board of Directors*

	<i>For three-month period ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Board of Directors' remuneration	1,312,500	1,312,500

(d) *Related party balances*

	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(audited)</i>
<i>Due from a related party</i>		
Umm Al Quwain Market Co-operative Society (affiliate)	14,718,995	14,499,877
<i>Due to a related party</i>		
Consumer Co-operative Union (associate)	546,555	1,221,122

13. INCOME FROM SALES OF GOODS

	<i>For three-month period ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Sale of goods – Retail	601,630,177	534,680,474
Discounts – Retail	(48,981,154)	(44,206,744)
	552,649,023	490,473,730
Sale of goods - E-commerce	63,823,413	43,474,484
Discounts - E-commerce	(4,865,512)	(4,038,113)
	58,957,901	39,436,371
Total sales of goods (<i>refer to (i) below</i>)	611,606,924	529,910,101

- (i) This income relates to sales of goods, which took place in the UAE, to customers in the supermarkets and through e-commerce. Products sold are transferred at a point in time.

Union Coop

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (*continued*)

For the three-month period ended 31 March 2025

14. COMMITMENTS AND CONTINGENCIES

	<i>For three-month period ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
Capital commitments	6,119,645	42,420,630
Letters of guarantee	2,034,958	2,034,958
Liens	-	1,680

15. FINANCIAL INSTRUMENTS

	<i>For three-month period ended 31 March</i>	
	<i>31 March</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Financial assets		
Trade receivables and other receivables – excluding prepayments and advances to suppliers	106,629,405	96,881,279
Bank balances	317,209,490	153,718,323
	423,838,895	250,599,602
Financial liabilities		
Trade and other payables (excluding VAT and unearned income)	420,742,207	358,712,012
	420,742,207	358,712,012

16. CORPORATE TAX

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("UAE CT Law" or the "Law") to enact a Federal corporate tax ("CT") regime in the UAE. Current taxes shall be accounted for as appropriate in the financial statements for the period beginning on 1 January 2024. The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% corporate tax.

The major components of income tax expense for the three-month periods ended 31 March 2026 and 31 March 2025 are:

	<i>For three-month period ended 31 March (unaudited)</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<i>Statement of profit or loss</i>		
Current tax charge	10,411,873	10,055,942
Deferred tax	-	-
	10,411,873	10,055,942

16. CORPORATE TAX (continued)

Reconciliation of tax expense and the accounting profit is as below:

	<i>For three-month period ended 31 March (unaudited)</i>	
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Accounting profit before tax and after directors' remuneration and community responsibility expenses	112,755,915	109,413,744
At United Arab Emirates' statutory income tax rate	10,148,032	10,201,701
Adjustments for amounts which are non-deductible / (taxable) in calculating taxable income non-deductible expenses for tax purposes	248,093	67,203
Effect of standard exemption	(33,750)	(33,750)
Others	79,498	(179,212)
Income tax charge for the period	10,441,873	10,055,942
Effective tax rate	9.26%	9.19%
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
	<i>(unaudited)</i>	<i>(audited)</i>
Current and deferred tax position		
Current tax payable	41,072,658	41,104,342
Deferred tax liability - net	6,981,156	6,981,156
	<i>2026</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>
Movement - current tax liability		
At 1 January (audited)	30,660,785	31,048,400
Current tax charge for the period	10,411,873	10,055,942
At 31 March (unaudited)	41,072,658	41,104,342

17. SUBSEQUENT EVENTS

In the General Assembly Meeting held on 7 April 2026, the Shareholders have approved the following dividend declaration:

- Cash dividend totaling to AED 244,379,817; and
- Return on shareholders' purchases with total value of AED 36,813,662.

The dividend was paid in the subsequent period. Also the Shareholders have approved allocation of AED 6,141,932 to the Community Responsibility Reserve.

18. COMPARATIVE INFORMATION

Certain prior period amounts have been reclassified to conform to the presentation in the interim condensed financial statements for the period ended 31 March 2026. This includes the reclassification of rebate income from supplier from *Income from other operating activities* to *cost of sales*. Such reclassifications do not affect the previously reported net profits, net assets or equity.

	<i>Three-month period ended 31 March (unaudited)</i>	
	<i>2025 AED Previously reported</i>	<i>2025 AED After reclassification</i>
Income from other operating activities	<u>168,985,437</u>	<u>56,746,209</u>
Cost of sales	<u>(456,079,012)</u>	<u>(343,839,784)</u>