Varun Beverages' alcobev foray uncorks challenges

Weak performance in India is weighing on the stock price

RAM PRASAD SAHU
Mumbai, 27 August

Shares of Varun Beverages Ltd (VBL) fell 4 per cent on Wednesday to ₹421 after the company's announcement of its entry into the alcoholic beverages (alcobev) market met with a lukewarm response from investors. The stock lost another 0.5 per cent to end at ₹419.70 on Thursday.

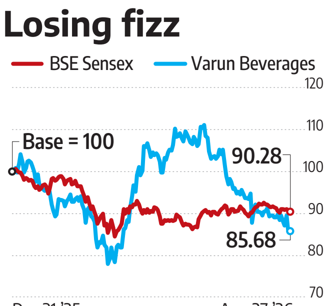
The company is one of the largest franchises of PepsiCo outside the United States and it is setting up a subsidiary, KIVA Spirits, focussed on the ready-to-drink and alcoholic beverages market in India. Prathmesh Mishra, a former executive of Diageo, will be the managing director and chief executive officer of KIVA Spirits. VBL also announced a joint venture in Tunisia for manufacturing and distributing carbonated soft drinks, juices, water, and dairy products.

While these steps will expand the company's revenue stream and market size, investors will look for signs that the Indian business is recovering. Weak performance in India is weighing on the stock, which has lost a fifth of its value in the last three months. In comparison, the BSE 100 was up 2.3 per cent.

Investors will also seek clarity on VBL's manufacturing, distribution, partnerships, acquisitions, capital expenditure needs and the segments it is targeting. J P Morgan Research expects the new alcohol venture to start small — likely targeting premium ready-to-drink products — before scaling up as it navigates complex state approvals, high working-capital needs, and strict advertising bans.

J P Morgan analysts led by Latika Chopra noted that margins will be another key factor to watch. While VBL's 25-plus per cent Indian operating margin outpaces the mid-to-high teens seen at listed spirits makers like United Spirits and Radico Khaitan, a focus on premium products — the market's fastest-growing segment — could support profitability over time. The brokerage does not expect a meaningful earnings contribution by VBL in CY26. It has an overweight rating on the stock with a price target of ₹530.

Losing fizz



Source: Bloomberg, BSE

Several brokerages warned of multiple challenges as VBL enters the tightly regulated alcohol market. While the move expands its addressable market by ₹80,000 crore, it is far more complex than its core ₹60,000 crore carbonated soft drinks business.

Kotak Institutional Equities cited state-level regulatory hurdles, limited operational synergies and intense competition as primary challenges. VBL will need to carve out a niche against established giants such as Diageo, Pernod Ricard, AB InBev, United Breweries (Heineken), Carlsberg and Radico Khaitan.

Given the separate licensing, warehousing and route-to-market requirements for alcohol, VBL will find limited synergy with its existing soft drinks network. However, the biggest hurdle remains state-specific regulations, pricing controls and taxes, which will create uneven profitability across regions. VBL may need to build adequate scale state by state to manage local taxes — a move that could dilute margins. While long-term growth potential exists, disciplined capital allocation will be critical to creating value, according to Kotak Research.

While the alcohol venture will take time to scale, attention remains on VBL's core Indian revenue, which has been sluggish. June-quarter revenue rose just 13 per cent year-on-year, failing to deliver a sharp recovery despite a weak base from the previous year, when heavy unseasonal rains hit soft drink sales. This year's performance came despite a hotter-than-usual summer across the country.

Goldman Sachs Research analysts led by Arnab Mitra trimmed their earnings estimates and target price for VBL after the company's results. They reduced VBL's earnings per share estimates by 2 to 5 per cent for 2026, 2027 and 2028, citing the lower-than-expected growth in the India business. They cut the target price to ₹550 from ₹600.

YOUR MONEY

Buying pet cover: Check sub-limits, waiting periods

KARTHIK JEROME

India's pet insurance market was worth ₹3,152 crore in 2025 and could reach ₹9,478 crore by 2034, implying a compound annual growth rate (CAGR) of 12.60 per cent, according to industry estimates. India's pet population rose from 28.5 million in financial year 2019-20 (FY20) to 39.2 million in FY25 and is projected to reach 60.5 million by FY30.

This is an emerging category but is growing steadily. An interesting development has been the launch by Bajaj General Insurance of My Family Complete, a health insurance policy for humans that also covers pet dogs and cats.

Rising pet insurance demand

Owners increasingly regard pets as family members. "Pet parents are more willing to invest in their health, well-being and long-term care," says Amarnath Saxena, chief technical officer — commercial, Bajaj General Insurance. Rising costs of surgery, diagnostics, hospitalisation and specialised treatment are prompting owners to seek financial protection. Higher disposable incomes and the rise of dual-income households and nuclear families have led to greater spending on pet care.

What pet insurance covers

These policies cover surgery for accidents, illnesses and fractures, eligible pre- and post-surgery treatment, inpatient hospitalisation and mortality. Optional outpatient department (OPD) cover reimburses specified veterinary expenses. Third-party liability can cover bodily injury, property damage, sickness or death caused by the pet and admissible costs of legal defence. "Pet insurance also provides terminal illness, lost and stolen, long-term care, emergency pet minding and several other coverages," says Ramit Goyal, chief distribution officer, Generali Central Insurance.

Pick optional covers carefully

Modular policies let owners choose add-ons. OPD can suit pets needing frequent veterinary visits, while terminal disease and long-term care covers address serious or prolonged conditions. Third-party liability covers financial or legal liability caused by a pet.

"Pet insurance can also reimburse pet boarding or caretaker expenses when the owner or a family member is hospitalised for more than four consecutive days or passes away," says Goyal.

How to choose the sum insured

Sum insured options can range from ₹10,000 to ₹15 lakh. Consider veterinary costs, possible surgery or hospitalisation, OPD needs and third-party liability when choosing the sum insured.

"Customers should also consider the pet's age, breed, lifestyle and likely healthcare requirements while choosing the level of cover," says Saxena. Premiums can vary by species, weight, location, existing health conditions, policy tenure, age, breed, vaccination history, pre-existing illnesses and coverage selected.

Read the fine print

The headline sum insured may not be payable for every treatment. Surgery can have a sub-limit within the overall hospitalisation cover. "The sub-limit could range from 30 per cent to 75 per cent," says Arti Mulik, chief technical officer, Universal Sompo General Insurance.

Check the waiting periods for pre-existing ailments. "Pet parents should also check sub-limits, deductibles and co-payment requirements, as these can significantly affect the amount payable," says Ashwini Dubey, business head — home & pet insurance, Policybazaar. Pay heed to exclusions. "Pre-existing illnesses or congenital conditions may be excluded. Cosmetic and elective procedures are not covered, nor is intentional neglect," says Mulik.

Making a successful claim

Full health disclosure at purchase is important. "Make a full disclosure of the current health status of your pet," says Mulik. Claims may be cashless or reimbursement-based. "This depends on the insurer, network of veterinary clinics and policy terms," says Dubey.

Report claims promptly, retain original bills and hospitalisation records, and submit complete documents.

How much pet insurance costs

Insurer and policy premium (₹)

Bajaj: Pet Dog Insurance Policy	
Option 1: Sum insured 2 lakh	
OPD expense 30,000	2,321
Option 2: Sum insured 2 lakh	
OPD expense 30,000	
Fracture expense 5,000	
Terminal cover 50,000	
3rd party cover 50,000	4,440
HDFC Ergo: Paws n Claws Insurance	
Option 1: Sum insured 2 lakh	
OPD expense 30,000	2,714*
Option 2: Sum insured 2 lakh	
OPD expense 30,000	
Fracture expense 10,000	
3rd party cover 1 lakh	3,039*
Generali Central: Dog Insurance	
Option 1: Sum insured 2 lakh	
OPD expense 10,000	2,328
Option 2: Sum insured 2 lakh	
OPD expense 10,000	
Terminal cover 2 lakh	
3rd party cover 1 lakh	5,136

Note: Premiums are for a dog aged less than one year (premium is inclusive of GST and tenure is one year). *20% co-pay. Premium changes based on weight and breed. More sum insured, sub-limit, and add-on options are available.
Source: Policybazaar

Cancer claim cost rises 81% in 5 years: How much cover is enough?

A ₹5 lakh policy could leave a family exposed. For a ₹5.6 lakh hospitalisation, the basic shortfall would be around ₹60,000, before non-payable expenses. The actual out-of-pocket cost, however, depends on co-payments, deductibles and room-rent limits. Cancer treatment costs are also rising 10-14 per cent annually, a Policybazaar report found. In Tier-I cities, the average hospitalisation claim was ₹1.73 lakh, 44 per cent higher than in Tier-III cities.

What policyholders should do

■ **Review your sum insured:** Consider medical inflation, not just today's costs.
■ **Check policy conditions:** Look for co-payments, deductibles, sub-limits and exclusions.
■ **Consider a super top-up:** Evaluate higher base cover or a super top-up, depending on your needs.
■ **Don't rely only on employer cover:** Reassess whether workplace insurance is sufficient for your family.
■ **Check all hospital expenses:** Medicines, diagnostics and consumables can add substantially to the bill.

Read full report here: mybs.in/2g8aCS4

COMPILED BY AMIT KUMAR

GLACIER COLLAPSE KILLS 362, LEAVES OVER 1,400 MISSING; TOLL FEARED TO RISE

Himalayas reel under twin deluge

AGENCIES
Trishuli/Beijing, August 27

A HIMALAYAN CATASTROPHE deepened on Thursday as rescue teams hunted for more than 1,400 people missing after a glacier collapse unleashed a wall of water, mud and debris across the Nepal-China border, while authorities warned that newly formed lakes could burst and trigger another devastating flood.

At least 362 people have been killed in Nepal and Tibet, according to authorities, with hundreds of foreign nationals among the missing. The disaster has devastated communities, washed away bridges and roads and cut off large parts of the rugged Himalayan region, complicating rescue operations.

Rescue teams and military helicopters searched debris-strewn valleys and hillsides on Thursday, a day after torrents several stories high swept through communities following what authorities believe was a glacier collapse. Videos showed people fleeing as a wall of muddy water and debris engulfed buildings, vehicles and infrastructure.

Nepal reported 910 people missing, while authorities in Tibet said 558 were missing, including 260 foreign nationals. The combined figures put the number of missing people at more than 1,400.

The disaster has particularly affected Nepal's Nuwakot district and Tibet's Shigatse prefecture. Dozens of bridges were destroyed and nearly 40 km of roads damaged in Nepal, leaving helicopters as a critical means of reaching isolated communities. The Nepalese army said it had rescued more than 100 people by helicopter and evacuated people trapped at facilities linked to the Trishuli hydropower project.

The Nepal Red Cross has shifted its focus from rescue to large-scale relief operations, with about 1,200 people displaced from at least three villages. Hospitals in Kathmandu have received dozens of injured people, while rescuers have recovered bodies hundreds of kilometres downstream from the worst-hit areas.

Fresh flood threat

The immediate rescue effort was complicated by warnings of a second disaster. Nepal's disaster authority said a lake formed after debris blocked a river at the flood site was rising and could burst, urging residents, rescuers and travellers to stay away from riverbanks and other risky areas.

China issued a similar warning. About 3 million cubic metres of water — equivalent to roughly 1,200 Olympic swimming pools — is expected to flow into a dammed lake on its side of the border over the next three days, raising the risk of a breach. Peak flow is expected around September 1, while more rain is forecast over the coming week.

"The volume of water is continuing to increase, and so is the risk," Zhu Jinfeng, a researcher at the water resources ministry's hydrology department, told state broadcaster CCTV.

Some rescue workers in Nepal moved to higher ground after the warning. Pawan Koirala, who was working with a team of 13 rescuers, said they did not want to remain in the danger zone.

"We are here for rescue and don't want to be near the danger zone," he said.

Glacier collapse

The floods were initially thought to have been triggered by an earthquake, after the US Geological Survey reported seismic activity near the Nepal-Tibet border. The agency later revised its assessment, saying the event was a magnitude 5.2 glacier collapse that sent debris flowing downstream.

Climate experts at the International Centre for Integrated Mountain Development said an avalanche from a glacier likely triggered the flash flood.

The disaster has renewed concerns over the growing instability of Himalayan glaciers as temperatures rise. Experts warn that increasingly unstable ice systems threaten communities, infrastructure and water supplies across one of the world's most densely populated regions.

(Left) People move to safer ground after flash floods in the Devighat area of Bidur Municipality, Nuwakot, Nepal, on Thursday; (top) a Shivling lies amid mud and debris after the floods in Nuwakot; (below) people stand on a rooftop, looking at their belongings swept away by the floodwaters PTI

UN chief Guterres offers assistance

UN SECRETARY-General Antonio Guterres is "saddened" by the flooding in "Nepal and China" in which 162 people died, and hundreds from around the world are missing, and has offered the world organisation's help. The tally of the missing shows the broad international reach of the tragedy. PTI

China's Li visits flood-hit Gyirong

CHINESE PREMIER Li Qiang on Thursday visited the Gyirong Township near the Nepal border post in Tibet, where 360 people were reported missing after a massive flash flood that caused heavy casualties. Li led a group of senior officials to the disaster-hit area, according to reports. BLOOMBERG

India turns up the volume on entertainment & media

- Industry to hit $36.7 billion by 2030, says PwC

VIVEAT SUSAN PINTO
Mumbai, August 27

INDIA'S MEDIA AND entertainment market is set to grow nearly twice as fast as the global industry over the next five years, driven by digital advertising, over-the-top (OTT) video, gaming and technology-led monetisation, consultancy firm PwC India said on Thursday.

The market is projected to reach $36.7 billion by 2030 from $25.7 billion in 2025, growing at a compound annual growth rate (CAGR) of 7.4%, compared with 4% globally. The India findings are part of PwC's Global Entertainment & Media Outlook 2026-2030.

PwC said the convergence of content, connectivity and technology will underpin the next phase of growth. Digital ecosystems, regional programming and new revenue models are enabling media companies to deepen engagement and monetize audiences across platforms. "India has already demonstrated its ability to build audience scale. The next phase is about converting that engagement into sustainable value. AI is beginning to improve how content is created, discovered, and personalised, while regional storytelling and premium experiences are creating new ways to deepen engagement and monetisation," said Rajesh Sethi, partner and leader—media, entertainment and sports, PwC India.

Digital ad leads growth

Internet advertising is expected to be among the biggest contributors to incremental industry revenue, nearly doubling from $7.5 billion in 2025 to $14.3 billion by 2030, a 13.9% CAGR. Search and video advertising are expected to drive much of the expansion.

India's OTT market is projected to grow from $2.2 billion to $3.6 billion over the same period, a 10.2% CAGR. Streaming platforms are increasingly shifting from subscriber acquisition to monetization, with lower-priced, mobile-only and advertising-supported plans complementing subscriptions.

PwC said platforms are also looking beyond conventional advertising and subscriptions towards intent-based advertising, intelligent data warehouses and tools that offer better insights into audience behaviour. AI, meanwhile, is moving beyond editing and visual effects to become a broader tool for value creation.

Gaming, connectivity

Video games and e-sports revenue is expected to rise from $1.5 billion in 2025 to $2.6 billion by 2030, an 11.3% CAGR. In-game advertising, sponsorships and recurring revenue models are expected to play a larger role in monetizing engagement.

Data connectivity revenue is projected to grow from $36.5 billion to $58.6 billion, a 9.9% CAGR, supported by mobile, broadband, fibre and 5G adoption.

Resilient phase

Growth is not confined to digital media. Traditional television revenue is expected to rise from $7.2 billion in 2025 to $7.5 billion by 2030, while newspaper revenue is projected to increase from $3 billion to $3.5 billion.

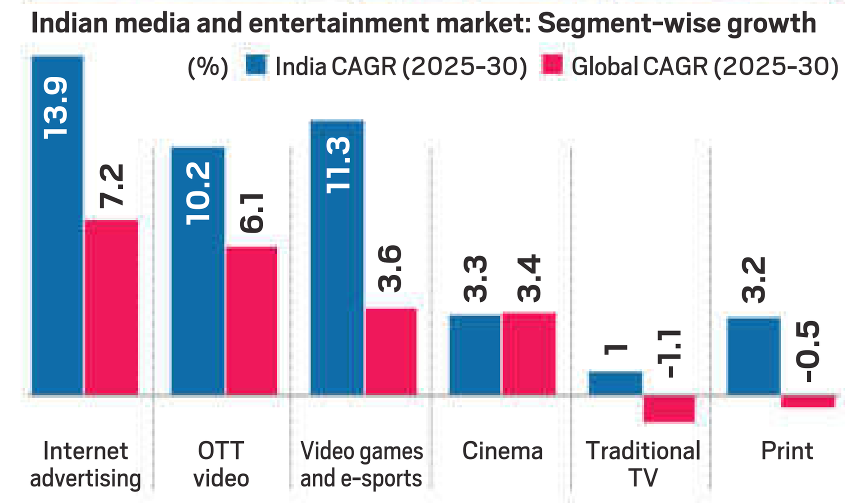
PwC attributed the resilience to regional audiences, advertiser demand, trusted brands and deeper integration between traditional and digital channels.

Consumers are also showing greater willingness to pay for differentiated experiences in cinema, music and sports. Premium ticketing, hospitality and formats such as IMAX and 4DX are creating additional revenue pools by increasing spend per consumer.

For media companies, the next phase will be less about audience scale and more about monetising engagement through technology, data and differentiated content.

PRIME TIME SHOW

Indian media and entertainment market: Segment-wise growth



Source: PwC Global Entertainment & Media Outlook 2026-30: India perspective

(Rates are against Dh1)	Buy	Sell
Indian rupee	26.51	25.86
Pakistani rupee	76.74	75.24
Sri Lankan rupee	91.40	88.96
Philippine peso	17.14	16.76
Bangladeshi taka	34.25	32.92

STOCK MARKET

↗	Dubai	DFM
	5,882.63	+15.84
↗	Abu Dhabi	ADX
	10,044.52	+8.66

OIL PRICES ($)

BRENT	DME OMAN	WTI
↘	↗	↘
89.96	88.72	82.61
-0.35	+2.31	-0.22

GOLD PRICES

London	$/oz	
4,607.96	+7.96	
Mumbai	₹/10gm	
158,429	-3,531.00	
Dubai	Dh/gm	
554.50	+0.25	

1 oz
UAE gold bullion coin

BUY FOR	SELL FOR
Dh18,623.30	Dh18,492.30

* Indicative retail price provided by DMCC at 7pm as of Wednesday.

> **"We remain committed to this approach to ensure women always remain an essential partner in the sustainable development and economic renaissance witnessed by our nation."**
>
> **Amal Obaid Hadid**
> Head of the Media Section at the Sharjah Real Estate Registration Department

KT BUSINESS

/khaleejtimes /khaleejtimes — reporters@khaleejtimes.com

Abu Dhabi to see surge in new homes, easing price and rental growth

Abu Dhabi's residential stock *stood at 323,600 units at the end of H1 2026. — FILE PHOTO*

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Abu Dhabi's residential property market is set to witness a strong supply of new units between 2026 and 2028, which could slow the pace of price and rental increases in the capital.

According to Cavendish Maxwell's latest report, sales prices and rental rates continued to grow in the first six months of the year, with apartment prices up 16.4 per cent and villa prices more than 10 per cent compared to H1 2025. Apartment rents rose 9.4 per cent, with villa rents up nearly 4 per cent.

The temporary rent freeze, announced on June 2, should limit further rental hikes in the near term, the company added.

Abu Dhabi's residential stock stood at 323,600 units at the end of H1 2026, with 5,700 units completed during the year to date. A further 10,500 units are scheduled for delivery by year-end, bringing projected total stock to around 334,000 units.

Looking further ahead, the pipeline is expected to accelerate considerably, with 17,300 units projected for delivery in 2027 and a further 26,000 units in 2028, taking total residential stock to an estimated 372,000 units by the end of 2028.

"While actual deliveries may fall short of scheduled completions due to construction delays and project deferrals, the overall volume of incoming supply remains considerable. The key consideration for the medium term is therefore not simply the scale of planned supply, but whether underlying demand can absorb it at a pace that supports an orderly market. If supply additions begin to outpace demand growth, greater competition between new and existing stock could place some pressure on residential price and rental growth.

"Regional geopolitical uncertainty adds a further layer of complexity, particularly for projects at earlier stages of development that may be more exposed to changes in construction costs and procurement lead times, potentially resulting in delays or deferrals that alter the timing of future supply," the global real estate consultancy said.

Andrew Laver, Director, Cavendish Maxwell Abu Dhabi, said the capital's residential market started the second half of the year with strong momentum.

"While all the factors supporting demand remain in place, the timing of new supply, which includes more than 53,000 units between now and the end of 2028, along with developer launch activity and broader economic conditions are likely to have a greater influence on transactions and price performance. The key consideration is whether demand can continue to absorb the planned supply pipeline," he said.

Absorbing pressures

"Although the regional geopolitical environment remains the main downside risk, Abu Dhabi's strong fiscal position and substantial external buffers help absorb these pressures," Laver added.

All major Abu Dhabi districts saw double-digit price increases. Apartments were up 16.4 per cent on average, with Yas Island recording the strongest increase at more than 18 per cent, followed by Al Reem Island (17.3 per cent) and Al Raha Beach (17.2 per cent).

The highest increases for villas were at Yas Island at 14.2 per cent, followed by Saadiyat Island at 10.7 per cent, both above the average rise of 10.1 per cent.

On the rental front, apartments at Yas Island commanded the largest increase at nearly 18 per cent, with Al Reem Island at just over 13 per cent and Al Reef at 12 per cent. The average rent rise for apartments was 9.4 per cent. Al Reef led the villa rent increase chart at 5.5 per cent.

Emirati women invest Dh2.7B in Sharjah's property

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Emirati women invested Dh2.7 billion in Sharjah's real estate sector between January and August 2026, according to figures released by the Sharjah Real Estate Registration Department.

The investments were distributed across 3,385 traded properties, acquired by 3,737 female Emirati investors, reflecting their established status as active partners in the economic landscape and their high confidence in the attractiveness of the emirate's economic and legislative environment.

The figures, released to coincide with Emirati Women's Day, highlight the pivotal role played by the women of the UAE in enhancing the real estate landscape and their mature investment awareness, which has driven them to build sustainable capital assets in line with Sharjah's comprehensive developmental vision.

Growth indicators

A statistical comparison conducted by the department between the same periods in 2025 and 2026 revealed continuous growth in Emirati women's participation across all key indicators.

The number of traded properties increased from 3,322 in 2025 to 3,385 in 2026, marking a 1.9 per cent rise. The number of owners grew from 3,586 to 3,737, recording a 4.2 per cent growth rate, while the trading value increased from Dh2.6 billion to Dh2.7 billion, up 1.2 per cent.

Amal Obaid Hadid, Head of the Media Section at the Sharjah Real Estate Registration Department, said celebrating Emirati Women's Day is a moment of pride in the honourable achievements made by UAE women across all sectors.

Hadid said these tangible real estate achievements are the outcome of the National Strategy for Empowerment of Emirati Women (2023–2031). "We remain committed to this approach to ensure women always remain an essential partner in the sustainable development and economic renaissance witnessed by our nation," added Hadid.

The number of *traded properties rose to 3,385 this year. — FILE PHOTO*

UAE property market cools in second quarter

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Homebuyers and tenants in Dubai and Abu Dhabi saw some relief in the second quarter of 2026 as property prices and rents eased from the previous quarter, signalling a shift towards a more balanced market after several years of strong growth, according to Colliers.

In Dubai, average apartment and villa sale prices declined 3 per cent quarter-on-quarter, while apartment rents fell 4 per cent and villa rents dropped 2 per cent.

Affordability is increasingly influencing where people choose to live, while Colliers said a continued shift from renting to homeownership and rising rental inventory are also moderating tenant demand.

Around 11,650 new homes were delivered in Dubai during Q2, including 9,200 apartments and 2,450 villas. Another 56,600 residential units are scheduled for completion by the end of 2026.

The Dubai Land Department has also introduced the Flexi Rent initiative, allowing participating landlords to offer monthly, quarterly and semi-annual rental payment plans.

Abu Dhabi experienced a similar quarterly adjustment.

Average apartment sale prices declined 3 per cent quarter-on-quarter, while villa prices eased 1 per cent.

However, compared with a year earlier, apartment prices remained 19 per cent higher, while villa prices were up 10 per cent.

Residential transaction volumes reached around 7,200 deals during Q2, down 8 per cent from the previous quarter but 83 per cent higher year-on-year. Off-plan properties accounted for around 84 per cent of transactions.

Abu Dhabi rents also eased after strong increases through 2025 and early 2026. Apartment rents declined 2 per cent from the previous quarter and villa rents fell 3 per cent.

On an annual basis, however, apartment rents remained 7 per cent higher and villa rents were up 5 per cent.

Around 2,200 homes were delivered in Abu Dhabi during Q2, with another 3,200 expected during the remainder of the year.

While residential markets moderated, demand for premium offices remained strong.

Abu Dhabi Global Market on Al Maryah Island was operating at full occupancy with an active waiting list, reflecting continued demand from companies seeking Grade A offices.

In Dubai, Colliers described offices as a standout performer, with demand for off-plan Grade A developments continuing to support price growth across several areas.

The Northern Emirates also recorded some moderation in residential rents and prices.

Apartment rents declined around 2 per cent on average, with Sharjah recording the largest quarterly adjustment at around 4 per cent. Apartment sale prices declined 3 per cent in Sharjah and 2 per cent in Ras Al Khaimah.

Sharjah nevertheless saw strong new development activity, with around 4,600 residential units announced during Q2.

Around 7,450 homes are expected to be completed across the Northern Emirates in 2026, including 5,450 in Sharjah, 1,400 in Ras Al Khaimah and 600 in Ajman.

A continued shift *from renting to homeownership and rising rental inventory are moderating tenant demand.*

Taqa to delist from Abu Dhabi bourse

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Abu Dhabi National Energy Company (Taqa), one of the largest listed integrated utilities companies in Europe, the Middle East, and Africa, is set to delist from the Abu Dhabi Securities Exchange (ADX) after Abu Dhabi Power Corporation (ADPC) completed a mandatory acquisition of all remaining shares in the company, making it the sole shareholder with full ownership of Taqa's issued share capital.

In a disclosure filed with ADX, Taqa said its board of directors met on August 25, 2026, and resolved to proceed with the delisting following the conclusion of the squeeze-out process.

The filing confirmed that Abu Dhabi Depository LLC verified on August 13 that ADPC had acquired all outstanding shares in Taqa, taking its stake to 100 per cent of the company's issued share capital.

Acting under the authority granted by Special Resolution 4, which shareholders approved at the general assembly meeting held on July 21, 2026, the board formally resolved to delist the company and all its shares from ADX. The delisting will take effect once Taqa receives all regulatory approvals required in the UAE.

Taqa reported revenues of Dh27.5 billion in the first six months of 2026, a 2.6 per cent decrease compared with Dh28.2 billion in the same period last year, primarily driven by lower pass-through revenues in Taqa Distribution, extension works at the Shuweihat 1 Power Plant, and lower oil and gas production following the planned decommissioning of UK North Sea assets.

> **Merger complete**
>
> **Dh27.5B**
> Taqa revenues in the first six months of 2026
>
> **Dh4.1B**
> Net income attributable to Taqa shareholders

While revenue declined, profitability increased, driven in particular by higher returns from Taqa Transmission and Taqa's Generation business. Earnings before interest, taxes, depreciation and amortisation (Ebitda) rose by 7.7 per cent to Dh11 billion from Dh10.2 billion in the first half of 2025.

Net income attributable to shareholders increased by 9.7 per cent to Dh4.1 billion, compared with Dh3.7 billion in the prior-year period. Capital expenditure rose to Dh7.2 billion, up 38 per cent year-on-year, reflecting accelerated investment across power, water, and transmission networks.

Free cash flow was Dh4.6 billion, compared with Dh7 billion in the prior year, largely driven by increased investment.