National Central Cooling Company PJSC
(DFM:TABREED)

Q1 2018
Earnings Presentation
26 April 2018

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Agenda

1. Introduction and Performance Highlights
2. Financial Results
3. Conclusion

1. Introduction and Performance Highlights

Performance Highlights

Financial Highlights: Q1 2018 vs. Q1 2017

Total Revenue	Chilled Water	EBITDA	Net Income
AED 274m	AED 259m	AED 149m	AED 78m
+2%	+1%	+5%	+3%

Operational Highlights and Developments

Performance Highlights

- Chilled Water revenue growth at 1%; Chilled Water EBITDA up 7%
- Tabreed EBITDA increased by 5% to AED 149m; margins increased from 52% to 54%
- Previously announced capacity guidance to add 65,000 RT over 2018 and 2019; 1,500 RT added in Q1 2018

Other Developments

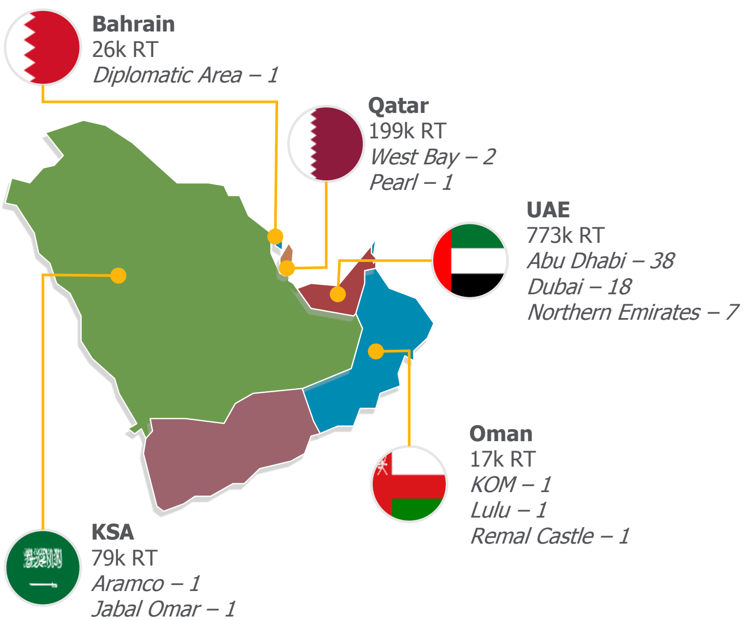
- Acquired 50% stake in S&T from Aldar Properties; the transaction values S&T at AED 348m
- S&T has connected capacity of 32.8K RT. Will add AED 50m to Tabreed annual revenues and AED 30m to EBITDA
- 2017 dividend of 8.0 fils, up from 6.5 fils in 2016. Paid in April 2018

Continued strong cash flows and robust balance sheet for future growth

Regional Presence

The only publicly listed district cooling company in the world

- 5 GCC countries | 72 plants | 1.1m tons of cooling
- Uniform utility infrastructure model implemented across GCC
- Long term contracts underpinning stability of earnings and returns for shareholders



National Central Cooling Company and its UAE investments

- 60 consolidated plants, 3 held through associates and joint ventures
- Plants in 6 emirates of the UAE - Abu Dhabi, Dubai, Ajman, RAK, Sharjah and Fujairah
- 773k RT delivered to clients including some of UAE's most prominent landmarks

Landmark Projects: Dubai Metro, Dubai Parks and Resorts, Sheikh Zayed Grand Mosque, Yas Island, Al Maryah Island

Qatar District Cooling Company (Tabreed 44%)

- Joint Venture with United Development Company
- Owns and operates the world's largest DC plant on The Pearl with connected capacity of 112k RT
- Also owns and operates 2 DC plants and a concession in Qatar's West Bay (87k RT)

Landmark Projects: The Pearl – Qatar, West Bay

Saudi Tabreed District Cooling Company (Tabreed 25%)

- Partnership with ACWA Holding and others
- Owns and operates first significant DC plant in KSA – Saudi Aramco (34k RT)
- Also owns and operates a DC plant in the Holy City of Mecca for Jabal Omar Development Co. (45k RT)
- Operates the DC plant servicing the landmark King Abdulla Financial District (KAFD) development (50k RT)

Landmark Projects: Saudi Aramco, Jabal Omar Development

Bahrain District Cooling Company (Tabreed 99%)

- Owns and operates 1 DC plant (26k RT)
- Plant runs using sea water to provide cooling to the most prestigious developments in Bahrain

Landmark Projects: Reef Island, Financial Harbour, World Trade Centre

Tabreed Oman (Tabreed 60%)

- A partnership between Tabreed and prominent Omani pension funds
- Owns and operates 3 plants serving Knowledge Oasis Muscat, Oman Avenues Mall and Remal Castle

Landmark Projects: Knowledge Oasis Muscat and Oman Avenues Mall

Connected Capacity

- Previously announced capacity guidance of **65,000 RT** to be added in 2018 and 2019
- Added **1,500 RT** during Q1 2018 at Al-Maryah Island (Equity Accounted)
- **32,800 RT** of S&T's capacity now recorded as consolidated capacity

Consolidated	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
UAE	661	667	668	668	702 [1]
Bahrain	23	26	26	26	26
Oman	14	16	17	17	17
Total Consolidated	**698**	**709**	**711**	**712**	**745**

Equity Accounted	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
UAE	101	103	103	103	71 [2]
Qatar	192	196	196	199	199
KSA	77	77	77	79	79
Total Equity Accounted	**370**	**375**	**375**	**381**	**349**

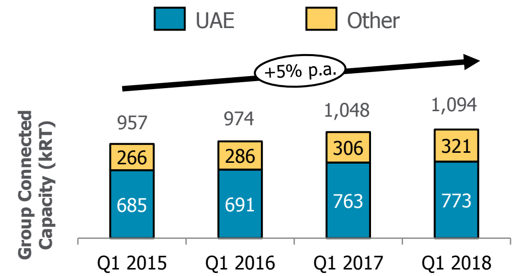
Total	**1,068**	**1,084**	**1,087**	**1,092**	**1,094**

Notes:
1 Includes 32.8k RT of S&T which is now consolidated
2 Includes 1.5k RT added during Q1 2018 and excludes 32.8k RT of S&T which is now consolidated

Q1 2018 Headline Performance

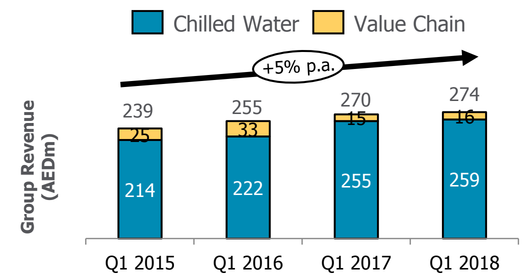
Long-term contracts with credit worthy customers

- Providing almost 1.1m RT of cooling across GCC – growing 5% annually since 2015
- Long term contracts (~25 years) mean over 95% of contracted capacity locked in for at least the next 10 years
- Approaching 50% of UAE capacity contracted with Government customers



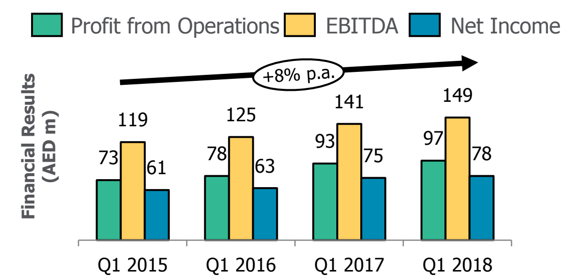
Revenue growth from existing and new business

- Group revenue growing at a 5% CAGR since 2015 driven by Chilled Water revenue growth of 7%
- Utility business model leads to steady increases in revenue and profitability from existing customers



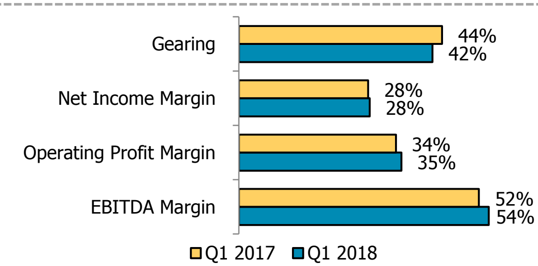
Solid financial performance

- Predictability in earnings driven by capacity charge
- Net income and EBITDA have each grown at 8% annually since 2015



Value to shareholders

- EBITDA margin of ~50% and sustained over recent years
- Strong balance sheet and stable cash flow generation
- Dividend of 8.0 fils paid in April 2018, up from 6.5 fils in 2016



2. Financial Results

Q1 2018 Income Statement

Consolidated Financials (AED m)	**Q1 2018**	**Q1 2017**	***Variance***	***%***
Revenue	274	270	*4*	*2%*
Chilled water revenue (94%)	259	255	*4*	*1%*
Value chain businesses (6%)	16	15	*1*	*5%*
Operating cost	(129)	(128)	*(1)*	*1%*
Gross Profit	**146**	**143**	***3***	***2%***
Gross profit margin	*53%*	*53%*		
Administrative and other expenses	(49)	(50)	*1*	*-1%*
Profit from Operations	**97**	**93**	***4***	***4%***
Operating profit margin	*35%*	*34%*		
Net finance costs	(41)	(42)	*1*	*-3%*
Other gains and losses	0	1	*(1)*	*-76%*
Share of results of associates and joint ventures	22	23	*(1)*	*-5%*
Income attributable to non-controlling interests	0	0	*0*	*nm*
Net Income	**78**	**75**	***2***	***3%***
Net Income margin	*28%*	*28%*		
EBITDA	**149**	**141**	***8***	***5%***
EBITDA margin	*54%*	*52%*		

Key Observations

- Chilled water revenue growth of 1%
  - Consolidated capacity addition of 0.5%
  - Impact of CPI passthrough was 1.5%
  - Offset by a 1% decline in consumption volumes due to unusually cool weather at the beginning of the year
- EBITDA grew 5% reflecting lower costs and margins improved from 52% to 54%

Stable utility infrastructure model with EBITDA margins of ~50%

Q1 2018 Financial Position

Consolidated Financials (AED m)	Mar 31, 2018	Dec 31, 2017	*Variance*	*%*
Fixed Assets	7,172	6,874	*298*	*4%*
Associates and Joint Ventures	578	826	*(248)*	*-30%*
Accounts Receivable	481	517	*(36)*	*-7%*
Cash and Short Term Deposits	548	418	*129*	*31%*
Other Assets	58	60	*(2)*	*-4%*
Total Assets	**8,836**	**8,696**	***141***	***2%***
Equity and Reserves	4,394	4,797	*(403)*	*-8%*
Debt	3,170	3,169	*1*	*0%*
Other Liabilities	1,272	730	*542*	*74%*
Total Liabilities and Equity	**8,836**	**8,696**	***141***	***2%***

Key Observations

- Increase in fixed assets primarily reflects consolidation of S&T
- Decrease in Associates and Joint Ventures reflects IFRS 15 adjustment for one associate entity and transfer of S&T to consolidated subsidiary
- Reduction in Equity & Reserves due to 2017 dividend and effect of the implementation of IFRS 9 (more prudent receivables provisioning) and IFRS 15
- Increase in other liabilities on account of dividend payables and payables for S&T acquisition

Robust Balance Sheet optimally positions Tabreed to capitalize on future growth opportunities

Q1 2018 Cash Flow Statement

Consolidated Financials (AED m)	Q1 2018	Q1 2017	*Variance*	*%*
Profit from Operations	**97**	**93**	***4***	*4%*
Finance lease amortization	17	14	*3*	*22%*
Depreciation	35	34	*1*	*3%*
Working Capital and Other adjustments	22	(65)	*88*	*-135%*
Net cash flows from Operating Activities	**171**	**76**	***95***	***126%***
Capital expenditure incurred	(25)	(143)	*118*	*-82%*
Acquisition of additional share in a subsidiary	(5)	-	*(5)*	*nm*
Dividends and interest income received	13	19	*(7)*	*-35%*
Cash inflow on acquisition of S&T	15	-	*15*	*nm*
Net cash flows from Investing Activities	**(3)**	**(124)**	***122***	***-98%***
Loans drawn down and principal repayments (net)	(2)	(25)	*23*	*-90%*
Interest payments	(37)	(36)	*(1)*	*2%*
MCB cash coupon paid	-	(22)	*22*	*-100%*
Others	-	(0)	*0*	*-100%*
Net cash flows from Financing Activities	**(39)**	**(84)**	***44***	***-53%***
Net Movement in Cash and Cash Equivalents	**129**	**(132)**	***261***	*-198%*
Cash and Cash Equivalents at the start of the period	418	390	*28*	*7%*
Cash and Cash Equivalents at 31 March	**548**	**258**	***289***	***112%***

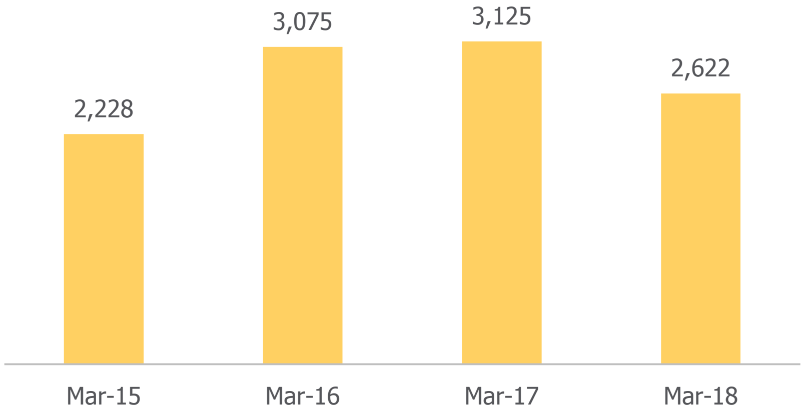
Key Observations

- Strong operating cash flow reflects continued robust profitability and favourable working capital movements
- Minimal capital spending offset by dividend receipts from associate companies
- Lower financing outflow reflects coupon savings following conversion of mandatory convertible bonds in 2017
- Healthy cash balance of AED 548m at the end of Q1 2018

Strong cash flow generation from long term price certain contracts enabling investment in growth

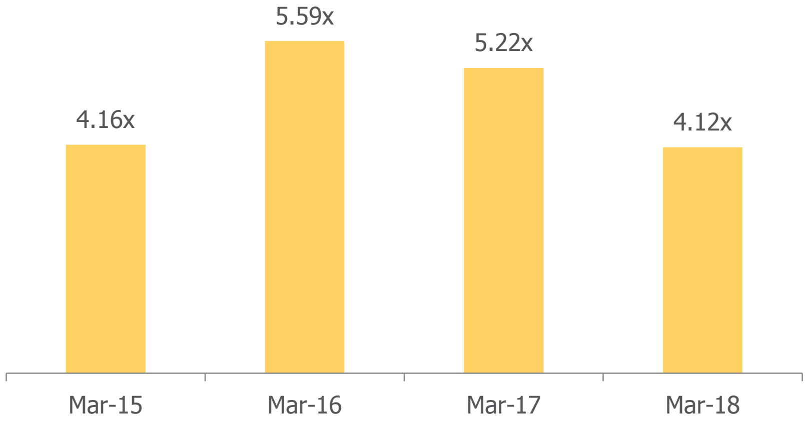
Debt Portfolio

Net Debt Profile (AED m)

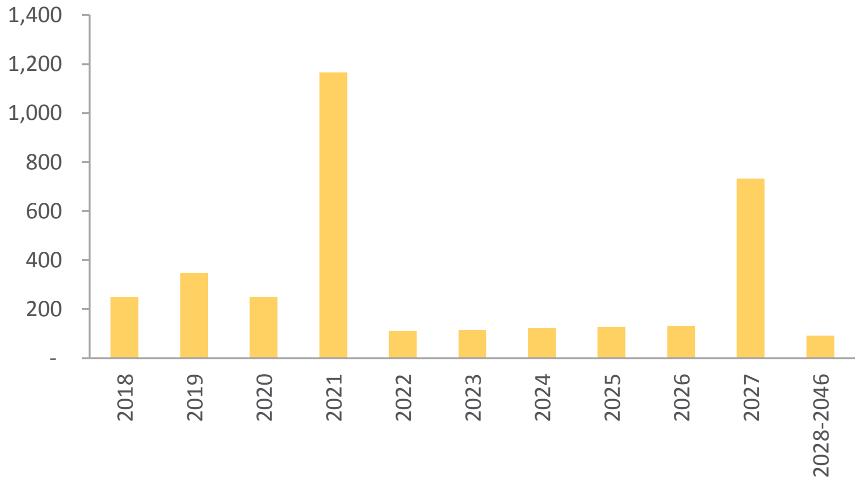


- Conservative leverage profile with current gearing of 42% (debt to debt + equity)
- 95% of debt is denominated in AED, with the balance in USD and OMR, in line with cash flow generation profile
- Target hedging range of 50-75%
  - Currently 57% of the total debt is hedged into fixed rate

Net Debt to LTM EBITDA (x)



Debt Maturity Profile (AED m)



3. Conclusion

Unique GCC-wide Infrastructure Assets Company

Why District Cooling?	• District Cooling is a critical part of the growing GCC infrastructure • District Cooling is 50% more efficient in consuming electricity than conventional cooling reducing energy consumption, carbon footprint, and state subsidies while also being 16% cheaper for the customer
Why Tabreed?	• One of the largest district cooling companies in the world with experienced management team • 20 years of excellent operational performance, on-time delivery of projects and expertise in financing DC assets • Relationships with Government and key real estate developers across the region • A strong shareholder base with Mubadala and ENGIE providing support to operations and growth • Shari'a complaint status to Tabreed stock could potentially enhance liquidity and shareholder base
Robust Financial Results	• Sustainable, stable and predictable results, low operating risk business model with strong margins • Net income and EBITDA growth of 8% annually since 2015, driven by capacity additions and CPI pass through • Stable utility infrastructure business model enables consistent YTD performance with ~50% EBITDA margins
Seeking and investing in opportunities across GCC	• Focus on stable Chilled Water leading to enhanced value from existing plants and increasing operational efficiencies • Seeking and investing in organic and inorganic projects across the GCC • De-risking projects by using "take or pay" fixed date contracts and ring-fenced project financing
Track record of delivering capacity growth	• 144k RT capacity added since 2015 • 65k RT of signed up capacity additions expected by the end of 2019, 1.5k RT delivered in Q1 2018 • Regional footprint allows access to varied growth opportunities • Operational track record, customer relationships and financial strength to benefit from growth in the region

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Management looks forward to engaging with shareholders and investors at the following events

Second quarter earnings call	End of July 2018
8th Annual EFG Hermes London Conference	10 – 13 September, 2018
5th Arqaam Capital MENA Investors Conference	24 – 25 September, 2018
Third quarter earnings call	End of October 2018
Fourth quarter earnings call	End of January 2019