



Full Year Results for 2023 show Tabreed to be in Excellent Position as it Targets Regional and International Expansion

Financial Highlights	Operational Highlights	Environmental Highlights
Revenue +9% AED 2.4 billion ▲	Connected Capacity 1.303 million RT ▲	Saved 2.52 billion (kWh)
Net profit before tax to parent +25% AED 751 million ▲	New customer connections 53,000 RT	CO ₂ emissions prevented 1.5 million metric tons
Free Cash Flows +8% AED 1.2 billion ▲	Consumption volumes +8% ▲	Region's first geothermal district cooling plant commissioned

Board recommends new record dividend payment of 15.5 fils per share for FY 2023

Abu Dhabi, United Arab Emirates – 14 February 2024: Tabreed, the UAE's leading international district cooling company, today released its consolidated financial results for the year 2023, reporting a revenue of AED 2.4 billion – a 9% increase over 2022 – and a net profit attributable to parent, before deferred tax, of AED 751 million.

Tabreed's balance sheet strengthened further, underscored by an improved net debt/EBITDA ratio of 4.11x (4.49x as end of FY 2022). Tabreed's net debt decreased in 2023 thanks to strong cash generation and a decline in gross debt due to a proactive debt management exercise carried out during the year. As a result of prudent financial management, the company achieved reductions in its net finance costs by 24%, despite a high interest rate environment.

Throughout the year, Tabreed continued to maintain its strong cash flow profile, underpinned by long-term contracts, resilient margins and efficient working capital management. Net cash from operating activities totalled AED 1.31 billion in 2023 (AED 1.35 billion in 2022), while free cash flows increased by 8% to AED 1.21 billion, driven by strong operating income, continued investment in growth and streamlining of existing asset portfolio.

Tabreed's Board of Directors, in recognition of the company's strong financial performance throughout the year, robust cash generation and positive outlook, has



recommended a record high dividend payment of 15.5 fils per share in cash. This represents an increase of 15% over 2022 and reinforces Tabreed's commitment to maximising value for its shareholders.

During 2023, with the enactment of UAE corporate tax law, there was a one-off, non-cash accounting impact due to recognising a deferred tax liability amounting to AED 359 million, resulting in a reported net profit of AED 431 million for the year.

Tabreed added 53k Refrigeration Tons (RT) of new connections in 2023, across its portfolio in the UAE and internationally. Expansion was driven largely by organic growth, through new connections in existing concession areas, as well as new 'greenfield' plants. Tabreed continued to strengthen its presence in its core markets of the UAE and GCC, with the addition of 31k RT in the UAE, 14k RT in Saudi Arabia, 3k RT in Bahrain and 1k RT in Oman.

Tabreed entered the India market during 2023, in a strategic alliance with TATA Realty and Infrastructure Limited, demonstrating its commitment to diversify and expand beyond the GCC's geographical borders. While growing its presence in international markets, the company remained focused on optimising its existing portfolio to enhance returns, Tabreed's total connected capacity increasing in 2023 to reach 1.303 million RT.

Tabreed enjoyed a remarkable 2023 on many levels, being the year of the company's 25th Anniversary. Publicly engaged more than ever before, Tabreed exhibited at the second World Utilities Congress and was billed as exclusive 'Cooling Partner'. During COP28 in December, the company took part as an exhibitor on Mubadala's pavilion and C-Suite executives were active in high-level debates and panel discussions in both Green and Blue Zones, particularly as strategic partners of the United Nations Environment Programme (UNEP) and Cool Coalition. As COP28 drew to a close, Tabreed signed an AED 600 million Green Revolving Credit Facility under its green financing framework, to help meet future expansion requirements with speed and agility.

Fittingly, with 2023 being the UAE's 'Year of Sustainability', Tabreed became signatories to the UAE's Responsible Companies Pledge, the Abu Dhabi Sustainable Finance Declaration and the Global Cooling Pledge – each a clear commitment to assisting the UAE and other nations in reaching their individual Net-Zero targets through energy-efficient operations. Sustainability also became intrinsically linked to Tabreed with its brand-new Geothermal district cooling plant, developed in partnership with ADNOC in Masdar City, which uses renewable energy from deep underground to produce chilled water for use in a pre-existing network.

Two senior appointments were made to Tabreed's Executive Management Team on 1 May 2023, with Nadia Bardawil assuming the role of Chief Legal Counsel and Philippe Coquelle joining as Chief Development Officer.



Financial highlights – 12 months ended 31 December 2023:

- Group revenue increased by 9% to AED 2.4 billion (2022: AED 2.2 billion)
- EBITDA at AED 1.2 billion remained resilient with healthy margin of 50% (2022: AED 1.2 billion)
- Net profit before tax attributable to parent increased by 25% to AED 751.4 million (2022: AED 600.2 million)

Operational highlights – 12 months ended 31 December 2023:

- Total connected capacity increased to 1.303 million Refrigeration Tons (RT)
- 53k RT of new customer connections added
- Consumption volumes increased by 8% year-on-year

Environmental highlights – 12 months ended 31 December 2023:

- 2.52 billion kilowatt hours saved across the GCC – enough to power more than 143,000 homes every year
- Prevented the release of 1.5 million metric tons of CO₂ into the atmosphere, which is equivalent to the removal of approximately 330,000 vehicles from the roads annually
- Constructed and commissioned Middle East's first renewable energy (geothermal) district cooling plant in partnership with ADNOC at Masdar City, Abu Dhabi

Following publication of the full 2023 results, **Khaled Abdulla Al Qubaisi, Tabreed's Chairman**, said: "This time last year I spoke about Tabreed's carefully planned growth and taking our globally renowned expertise into new markets. We spent 2023 making good on that promise and now operate in six countries, including India, supplying sustainable cooling to our prestigious clients.

"This is just the beginning and, over the next few years, we will continue to capitalise on Tabreed's unrivalled history and world-leading experience by aggressively, yet considerately, targeting opportunities for expansion. Opportunities that will provide healthy returns for our investors while benefiting the countries and communities in which we operate. International demand for our services is growing considerably and these results prove we are ready, willing and able to respond like no other company."

-ENDS-



About National Central Cooling Company PJSC (Tabreed)

Tabreed provides essential and sustainable district cooling services to iconic developments such as the Burj Khalifa, Sheikh Zayed Grand Mosque, Louvre Abu Dhabi, Ferrari World, Emirates Towers, Yas Island, Al Maryah Island, Dubai Mall, Dubai Opera, Dubai Metro, Bahrain Financial Harbor and the Jabal Omar Development in the Holy City of Makkah. The company owns and operates 90 plants in its portfolio across the GCC, including 75 in the United Arab Emirates, five in the Kingdom of Saudi Arabia, seven in Oman, one in the Kingdom of Bahrain, one in India and one in Egypt, in addition to other international projects and operations.

Tabreed is a leading driver of progress for people, communities and environments around the world towards a more sustainable future. Founded in 1998 and publicly listed on the Dubai Financial Market, it is one of the UAE's strongest growth companies. Through its extensive regional and international operations, industry-leading reliability and efficiency, R&D programmes and investment in AI technology, Tabreed further solidifies its position as the industry's global leader. In addition to district cooling, Tabreed's energy efficiency services extend the company's sustainability impact, helping businesses and organisations to improve their overall energy consumption, in turn reducing CO₂ emissions and assisting in the achievement of carbon neutrality objectives.