

Tabreed successfully closes syndication of \$692 million loan

Successful syndication is recognition of Tabreed's strong financial position

9 September, 2020 – Abu Dhabi, United Arab Emirates: National Central Cooling Company PJSC (“Tabreed” or the “Company”), the international District Cooling giant headquartered in UAE, has announced the successful syndication of a landmark term-loan facility, which was pre-funded by HSBC Bank Middle East Limited (“HSBC”) in March 2020, as part of the company’s acquisition funding of a 80% stake in Emaar Properties PJSC’s (DFM: Emaar) Downtown Dubai district cooling business.

The \$692 million loan has a tenor of 5 years (until March 2025) and was structured as a multi-tranche syndicated facility with Islamic and conventional tranches (the “Facility”). Against a backdrop of unprecedented market conditions and related loan market volatility and price dislocation, the syndication was successfully closed and over-subscribed by a diverse group of nine international, regional and local banks.

In addition to financing the acquisition of Tabreed’s stake in the Downtown Dubai district cooling business, the Facility will also support the development of a new state-of-the-art district cooling plant in Downtown Dubai. The Downtown Dubai district cooling scheme currently provides 148,471RT of contracted capacity through a network that distributes chilled water produced in 3 already existing interconnected district cooling plants.

Commenting on the successful syndication of the facility, **Bader Al Lamki, Chief Executive Officer at Tabreed, said:** “The successful syndication of this loan facility underscores Tabreed’s strong business fundamentals, the solid relationships with our key partnering banks and the confidence the financial markets have in our expansion projects, both in Dubai and across the region.”

“This syndication demonstrates the strong partnerships we have with all our existing relationship banks who have been key stakeholders of the company over the past several years. In line with other utility infrastructure companies, we recognize the role of strong financial institutions as a key pillar to success, and we look forward to future collaboration opportunities,” **added Adel Salem Al Wahedi, Chief Financial Officer at Tabreed.**

HSBC and ADIB acted as Joint Underwriters, Bookrunners, Initial Mandated Lead Arrangers as well as Global Facility Agent and Investment Agent, respectively for the Facility. The Facility saw participation from nine banks, with over 40% of the deal subscribed to by regional and international banks with strong anchorage by the UAE banking market. Emirates NBD Capital Limited and Samba acted as Mandated Lead Arrangers on the Facility. The Facility represents a milestone syndicated facility in support of a major acquisition by a government-related entity in 2020 and marks Tabreed’s successful return to the syndicated market.

Mohammed Al Marzouqi, Managing Director, Head of Abu Dhabi Coverage, Global Banking, HSBC Bank Middle East Limited, said: “This transaction is a major milestone in Tabreed’s growth transformation strategy, successfully executed notwithstanding the unprecedented environment owing to the unforeseen market condition. Further to supporting Tabreed’s landmark acquisition of an 80% stake in the Downtown Dubai district cooling business by acting as sole financial advisor, HSBC is honored to have also acted as Initial Sole Underwriter, Initial Mandated Lead Arranger, Global Facility Agent and Conventional Facility Agent on the Facility. The extension of a fully underwritten facility followed by a successful

syndication demonstrates HSBC's longstanding relationship and commitment to Tabreed, its major shareholders Mubadala Investment Company and Engie, as well as the UAE."

Amir Riad, Global Head of Corporate Finance and Investment Banking at ADIB, said: "We are privileged to collaborate with Tabreed on this landmark financing. The successful syndication of the Facility, against challenging market backdrop demonstrates our leadership in structuring and executing major syndicated financing for major government-related entities where we can bring in our structuring and product expertise, as well as our strong distribution capabilities, to provide optimal financing solutions and is a testament of our leading capabilities and commitment to our clients."

"We are also pleased that Fitch and Moody's have recently reaffirmed our credit rating which reflect the view that Tabreed's credit profile has proved resilient to negative pressures stemming from the current market environment", Bader Al Lamki added.

Following the completion of the Downtown Dubai district cooling transaction, Tabreed's presence in Dubai increased to 278,801 RT and its total capacity increased by 13.5% to 1,342,574 RT from 83 plants. The transaction represented a major milestone in Tabreed's history, demonstrating the company's ability to deliver on its growth potential and reinforced its position as the global district cooling industry leader and the cooling provider of choice for landmark developments in the region and beyond.

For over 22 years, Tabreed has been the partner of choice for organizations seeking environmentally friendly cooling solutions to support their sustainability goals and to reduce their overall energy consumption and carbon footprint. With 83 district cooling plants, Tabreed currently delivers over 1.342 million refrigeration tons to key developments, including iconic landmarks such as the Burj Khalifa, Dubai Opera, The Dubai Mall, Sheikh Zayed Grand Mosque, Al Maryah Island, Yas Island and Ferrari World Abu Dhabi, Dubai Metro, the Bahrain Financial Harbour and the Jabal Omar Development in the Holy City of Mecca in the Kingdom of Saudi Arabia.

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About National Central Cooling Company PJSC (Tabreed)

Tabreed is a leading international district cooling developer based in the UAE providing energy efficient, cost effective and environmentally friendly year-round cooling solutions in the GCC and beyond. Founded in 1998, and listed on the Dubai Financial Market, Tabreed's cooling infrastructure is an integral part of the region's growth. The company now delivers over 1.342 million refrigeration tons to major residential, commercial, government and private projects. Tabreed owns and operates 83 plants in its portfolio across the GCC, including 70 plants in the United Arab Emirates, three in the Kingdom of Saudi Arabia, five in Oman, one in the Kingdom of Bahrain, India and others in the region.

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