



## Tabreed Successfully Issues USD 700 Million, Inaugural Green Sukuk

- *First Issuance under new USD 1.5 billion trust certificate issuance programme*
- *Net proceeds to be used for financing or refinancing projects in line with Tabreed's Green Financing Framework*
- *Strong investor demand underscored by 2.6x oversubscription*

**Abu Dhabi, United Arab Emirates – 6 March 2025:** Tabreed, the world's leading district cooling company, has announced today the successful raising of USD 700 million via an inaugural, five-year green sukuk – the first issuance under its new USD 1.5 billion trust certificate issuance programme. The new sukuk will be listed and traded on London Stock Exchange's International Securities Market.

The issuance of new green sukuk attracted strong institutional demand from high quality local, regional and international investors. This led to the order books exceeding 4.3 times and final issue being oversubscribed by nearly 2.6 times, reflecting the high level of investor confidence in Tabreed's robust credit fundamentals. The sukuk was competitively priced with a profit rate of 5.279%, achieving the highest tightening by any investment grade regional sukuk issuance this year and the tightest ever credit spread for a five-year instrument by Tabreed and or any other UAE corporate sukuk with a similar credit rating. This high demand was supported by investment grade credit ratings from Moody's (Baa3) and Fitch (BBB), consistent with Tabreed's corporate ratings.

Tabreed continues to be a pioneer in the international sukuk market, having been a regular issuer over the past 20 years. In 2006, its USD 200 million sukuk issuance was the first to be listed on the London Stock Exchange, which paved the way for other issuers to follow. That issuance was also the first rated sukuk by a corporate entity in the Middle East.

Proceeds from this latest sukuk will be used in alignment with Tabreed's Green Financing Framework, which was first published in March 2022 and later updated in February 2025. It was developed in accordance with the ICMA Green Bond Principles (GBP) 2021 and the Loan Market Association (LMA) Green Loan Principles (GLP) 2023, and is governed by a multidisciplinary management committee led by the Group's Chief Financial Officer, Adel Al Wahedi. Tabreed is thus able to issue green bonds and loans, with the resulting net proceeds to be used for financing and refinancing 'Eligible Green Projects' which include its core business of constructing, acquiring and operating District Cooling schemes, as well as projects related to Energy and Water Efficiency and Wastewater Management.



The framework was accompanied by a Second Party Opinion from leading, global ESG ratings agency, Sustainalytics. Together they demonstrate the sustainable nature of Tabreed's district cooling operations, which use approximately 50% less electricity than conventional cooling.

Citi and Standard Chartered Bank acted as Joint Global Coordinators and Citi, Emirates NBD Capital, First Abu Dhabi Bank, HSBC and Standard Chartered Bank acted as Joint Lead Managers and Joint Bookrunners, with Abu Dhabi Commercial Bank acting as Co-Manager.

Following the sukuk announcement, **Tabreed's Chief Executive Officer, Khalid Al Marzooqi**, said: "Tabreed's enviable reputation is built on the foundations of sustainability and operational excellence, so this, our first green sukuk, is perfectly aligned with our existing business while focussing on new developments.

"The UAE has an ambitious roadmap for net-zero and we are proud at Tabreed to play a vital role in preventing large scale carbon emissions while enabling societal progress through sustainable district cooling. The importance this company attaches to ESG cannot be overstated and our investors know that the energy transition, of which we are at the very centre, is not only good for the environment but good for business, too."

**Adel Al Wahedi, Tabreed's Chief Financial Officer**, added: "We are delighted with the investor response to our first green sukuk. This demonstrates the strength of our business model, financial stability and sustainability credentials of Tabreed. This issuance is part of our USD 1.5 billion programme aimed at supporting our ambitious growth plans and sustainability commitments."

Tabreed recently released its full-year financial results for 2024, delivering strong financial performance driven by local and international expansion, new connections with existing clients and development of greenfield sites. The company has been rated Baa3 (outlook stable) by Moody's and BBB (outlook stable) by Fitch, with the Sukuk Programme having been assigned the same credit ratings.

Currently operating 92 district cooling plants in six countries, during 2024 Tabreed became the world's first district energy company to achieve the 'Verified Carbon Standard, able to trade carbon credits in the voluntary market as an emissions preventer.

-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 92 plants in its portfolio, including 76 in the United Arab Emirates, five in the Kingdom of Saudi Arabia, eight 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 preventing CO<sub>2</sub> emissions and assisting in the achievement of carbon neutrality objectives.