



## **Tabreed acquires Saadiyat Island District Cooling concessions for AED 963 million**

*Total capacity of the concession is 88k RT*

**23 December 2020 – Abu Dhabi, United Arab Emirates:** National Central Cooling Company PJSC (DFM: Tabreed), the leading UAE-based international district cooling developer has announced the acquisition of Saadiyat Cooling LLC (SCL), which is currently majority owned by Aldar Properties PJSC, and Saadiyat District Cooling Sole Proprietorship LLC (SDCL), which is wholly owned by Aldar Investment Properties PJSC, at a cost of AED 963 million.

Through an interconnected network of two district cooling plants with potential for a third plant to be built upon further ramping up of demand on the island in the future, SCL has a currently connected capacity of 24k Refrigerated Tonnes (RT) and a total concession of 77k RT. The SDCL plant is dedicated to the New York University (NYUAD) for a connected capacity of 11k RT. The ultimate capacity of the concession is 88k RT; additional prestigious projects are expected to be developed in the coming years in this prime cultural and touristic area of Abu Dhabi. Following the completion of the transaction, Tabreed's presence in Abu Dhabi will increase to 655k RT from a total of 46 plants.

The agreement represents another major milestone in Tabreed's strategy, reinforcing its position as a global district cooling industry leader. Added to other recently closed large transactions, this demonstrates the company's ability to deliver on its growth potential and be confirmed as the cooling provider of choice for landmark developments in the region and beyond. The agreement will see Tabreed provide cooling to some of Abu Dhabi's most prestigious developments, including the Louvre Abu Dhabi, NYUAD, and Manarat Al Saadiyat.

Commenting on the agreement, **Bader Saeed Al Lamki, Tabreed's Chief Executive Officer**, said: "I am delighted to be signing this agreement today, as we continue to accelerate our growth trajectory and consolidate our position in the UAE. As an industry leader, our strategic partnerships have allowed Tabreed to grow into an international powerhouse in district cooling, with over 22 years of experience and investments across six countries. Our partnership with Aldar is one such example, and this transaction is testament to the strong relationship we enjoy with them."

"Moving forward, we are well placed – both financially and operationally – to continue to take advantage of further growth opportunities in the UAE market and beyond," Al Lamki added.

**Talal Al Dhiyebi, Chief Executive Officer of Aldar Properties**, said: "We are pleased to be deepening our long-standing relationship with Tabreed with this win-win transaction. This divestment crystallizes significant value for Aldar shareholders and is a clear example of our strategy for value creation in action. Aldar is pursuing attractive acquisitions, implementing an active approach to asset management and continuously recycling capital to invest in future growth. In line with this strategy, Aldar will build on its strong financial and operating performance in 2020 by further deploying capital in the long-term growth of our two core real estate businesses – Asset Management and Development Management."

In September 2019, the Abu Dhabi Department of Energy (DoE) issued the District Cooling Regulations and the District Cooling Applicability Regulations, becoming the first regulatory authority in the MENA region to set up a complete integrated system for district cooling. Both SCL and SDCL will be the first District Cooling schemes to

receive the new license in Abu Dhabi, supporting the DoE's commitment to taking the lead in the regional and global energy sector, and its focus on developing infrastructure, ensuring energy efficiency, and promoting sustainable solutions.

Commenting on the announcement, His Excellency Mohamed Bin Jarsh Al Falasi, Undersecretary of the Department of Energy (DoE) said: " As part of our focus to support Abu Dhabi's strategic vision for sustainable development, we have developed the regulatory framework for district cooling to enable innovations in sustainable technologies and infrastructures while ensuring cost-efficiency to customers and high environmental standards. We are delighted with the outcome of our collaboration with Al Dar and Tabreed over the past few months to facilitate the SCL and SDCL transaction. The implementation of the district cooling regulations in these schemes will offer significant benefits of up to 30% reduction in consumption fees for residential consumers served by the SCL scheme and will maximize cost transparency, service charges and capacity. We commend Tabreed's commitment to explore sustainable solutions such as using recycled water in SCL and SDCL, bringing further environmental benefits to Abu Dhabi and making Saadiyat Island an even more attractive destination for its residents, tourists and investors."

Earlier this year, Tabreed announced that it had raised USD500m (Dhs1.8bn) with a new 7-year, 2.5 per cent coupon bond issuance. The successful issuance will support the closing of the transaction.

With this agreement, Tabreed's extensive portfolio of iconic developments will now include the Louvre Abu Dhabi, New York University, the Saadiyat Island hotels, the Burj Khalifa, Dubai Mall, Dubai Opera, Etihad Towers, Yas Island, Aldar HQ, World Trade Centre Abu Dhabi, Cleveland Clinic Abu Dhabi, The Sheikh Zayed Grand Mosque, Bahrain Financial Harbour, Knowledge Oasis Muscat and the Jabal Omar Project in the holy city of Mecca.

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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, India, 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 1.352 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, and five in Oman, one in the Kingdom of Bahrain, and others in the region.

**For more information, please visit [www.tabreed.ae](http://www.tabreed.ae) or contact:**

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