

Press release

Empower records AED 1,352 million in Revenues in H1 2024 with 10.3% growth over H1 2023

Bin Shafar:

- Adoption of environmentally friendly sustainable practices is on the rise.
- Occupancy rates in Dubai's real estate projects are experiencing sustained growth.
- Empower's portfolio is expanding with new real estate projects.

EMPOWER Q2, 2024		EMPOWER Q2, 2023		EMPOWER H1, 2024		EMPOWER H1, 2023	
AED 814 million	AED 380 million	AED 731 million	AED 365 million	AED 1,352 million	AED 693 million	AED 1,225 million	AED 654 million
+11.4% YoY	+4.1% YoY	-	-	+10.3% YoY	+6.0% YoY	-	-
Q2, 2024 Revenue	Q2, 2024 EBITDA	Q2, 2023 Revenue	Q2, 2023 EBITDA	H1, 2024 Revenue	H1, 2024 EBITDA	H1, 2023 Revenue	H1, 2023 EBITDA

Dubai, United Arab Emirates, 6 August 2024: Emirates Central Cooling Systems Corporation PJSC (EMPOWER), the world's largest district cooling services provider, (DFM: EMPOWER) (ISIN: AEE01134E227), today announced its financial results for the first half of 2024, reporting total revenues of AED 1,352 million and EBITDA of AED 693 million. Empower's first six months' revenue and EBITDA grew by 10.3% and 6.0% respectively in 2024 compared to the same period of last year. Empower earned AED 428 million as profit before tax with an impressive growth of 6.3% compared to the same period of 2023. The Net Profit after tax amounted to AED 390 million for the six months ended 30 June 2024.

Revenue and profit drivers

"Empower's robust financial results for the first half of 2024 demonstrate continued success, contributing to Dubai's economic expansion and delivering enhanced returns to shareholders", HE Ahmad Bin Shafar, CEO of Empower, said.

Bin Shafar explained that Empower's sustainable financial revenues are driven by increasing demand for its services primarily due to two factors. First, the real estate developers and building owners are increasingly adopting environmentally friendly practices, seeking cooling systems that protect natural resources, reduce emissions, optimize energy consumption, and lower costs. The second factor fueling the growing demand for Empower's district cooling services is the increasing occupancy rates in real estate projects of various uses, led by the residential segment, and the continuous addition of new projects to the company's portfolio. These factors combined have contributed to the diversity of Empower's customer base, which includes residential, commercial, healthcare, hospitality, retail, education, entertainment, and other sectors.

Sustainable financial performance

In its statement to Dubai Financial Market (DFM), Empower said that its consolidated revenues for the last twelve months (July 23 to June 24) recorded AED 3.16 billion, a remarkable growth of 10.4% compared to AED 2.86 billion during the period July 2022 to June 2023 and EBITDA of AED 1.50 billion for the period July 23 to June 24, recording a growth of 5.5% compared to AED 1.42 billion for the period from July 2022 to June 2023.

A half-year of outstanding achievements

The first half of 2024 saw a significant increase in Empower's business, with 56 new contracts signed to provide more than 58,300 refrigeration tons (RT) to reach a total contracted capacity of more than 1.72 million RT. The new contracts signed to provide Empower's world-class cooling services to various projects and buildings in Dubai distributed across different areas include 19,000 RT in Jumeirah Village, 7,200 RT on Sheikh Zayed Road, 6,900 RT in Meydan, 6,300 RT in Jumeirah Lakes Towers, and in other areas within the emirate.

Empower's total connected capacity has increased to more than 1.53 million RT with an addition of over 20,000 RT during the first half of the year.

In April, Empower signed an agreement with the Al Habtoor Group to supply the world's largest residential icon, Al Habtoor Tower, with 7,200 RT (equivalent to 75% of the peak cooling capacity of the world's tallest building, Burj Khalifa). Expected to have a population of over 5,000 people, the tower will start receiving Empower's world-class services during the year 2025.

Empower also announced an increase in the volume of consumption of its district cooling services (Refrigeration Ton hours-RTh) by 20% during the first half of 2024 compared to the same period of last year due to the addition of DXB Airport and rising demand from its well-diversified customer base.

Electronic registrations of new customers from the government and private sectors for availing Empower services have also shown a high growth and achieved 41% increase over the past five years from 2019 to 2023.

Bill payments through the smart digital channels offered by Empower and its strategic partners, banks and financial institutions reached 427,114 transactions this year, an increase of 11% compared to the same period last year.

As part of its efforts to facilitate a smooth flow of the businesses and enhance efficiency and productivity, Empower has processed 19,675 applications for NOC services during the period January to June 2024, an increase of 21% compared to the same period in 2023. The initiative aims to make it easier for consultants and contractors to obtain the company's approvals to submit applications, minimize or avoid abuses, damage and penalties, and save time and effort.

Also during the period, Empower commenced the connection of the Al Wasl Tower on the Sheikh Zayed Road to its district cooling network and completed supplying all phases of the project with a cooling capacity of up to 3,900 RT.

Empower participated in the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) Conference and Expo 2024 in January. During the conference, Empower signed a cooperation agreement with ASHRAE to conduct advanced and innovative scientific research studies for developing the next generation of district cooling systems. Empower and ASHRAE have also concluded an agreement to develop and release a globally accredited district cooling standard manual that can be applied in various countries around the world.

In February 2024, Empower took part in the IDEA Campus Energy Conference 2024, organized by the International District Energy Association (IDEA) under the theme 'Bridge of the Future'. During the conference, IDEA honored His Excellency Ahmad bin Shafar, who, along with his team, succeeded in consolidating the company's position as the world's leading district cooling service provider by harnessing the support of its partners and shareholders to transform this pivotal environmentally friendly industry and expand its positive gains in terms of social and economic sustainability.

Also during the first half of 2024, Empower and the Ministry of Energy and Infrastructure signed a Memorandum of Understanding (MoU) on cooling efficiency within the National Energy and Water Demand Management Program to enhance the quality of life and consolidate Dubai's leadership in the fields of sustainability, environmental conservation and future shaping.

During this period, Empower and ELIPS, a subsidiary of Empower and a leading manufacturer of innovative thermal solutions and insulation pipes, have successfully renewed their ISO certifications for Quality Management System (ISO 9001:2015), Environmental Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018). The renewals reflect both companies' commitment to adopting best practices, standards and management systems for quality, environment and occupational health and safety. Empower has also renewed its Information Security Management System (ISO27001:2013) certification, underscoring the measures taken by the company to protect its data, intellectual property, customer information and privacy.

In May 2024, Dubai Supreme Council of Energy (DSCE) honored Empower with the title of the Leading District Cooling Company in Dubai. The honor is part of the Dubai Demand Side Management Recognition Program, which DSCE organizes to celebrate the exemplary efforts of companies and individuals who contribute to enhancing the present and future of Dubai through thoughtful and responsible practices in energy and water efficiency, circular economy standards, and exceptional innovations and contributions that promote a sustainable environment.

Empower also launched its annual summer campaign to rationalize the consumption of cooling energy under the slogan "Set at 24°C & Save". As a socially responsible entity, Empower has been running this campaign since its inception, as part of its efforts to consolidate sustainability practices among its nearly 138,000 customers.

In June 2024, Empower took part in the IDEA 2024 Conference, the largest event of its kind in the world. The company won four international awards at the event, marking the second time it has won four awards simultaneously. Two of these were Gold awards for 'The number of buildings

committed' and 'The total building area committed'. Empower also received the 'Innovation Award Honorable Mention for Integrated Metering Solutions' and 'Innovation Award Honorable Mention for Chiller Efficiency Improvement' at Business Bay 02. Empower's CEO, H.E. Ahmad bin Shafar was one of the keynote speakers and a panelist in the global leaders' panel discussions. Bin Shafar was reappointed during the conference as a member Emeritus to the IDEA Board of Directors for the sixth consecutive time.

Empower also gained the LEED Gold Certification for its Business Bay 5 district cooling plant from the U.S. Green Building Council (USGBC) during the period. The award is the sixth LEED gold received by Empower for its state-of-the-art district cooling plants following Zabeel, Al Barsha Heights, Jumeirah Village Circle and Business Bay 2 and 3 plants.

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Audited Financials

Empower's audited financials can be found at Empower's website
<https://www.empower.ae/investor-relations/financial-information/>

or on DFM's website <https://www.dfm.ae/en/the-exchange/market-information/company/EMPOWER/news-disclosures>

Contacts

For investor relations, please contact:
investor.relations@empower.ae

About Empower

Emirates Central Cooling Systems Corporation PJSC, (Empower) was established in 2003 by Ruler's Decree, with the objective of providing world-class District Cooling Services to Dubai and the region. Empower's principal activities focus on the provision of district cooling services and the management, operation and maintenance of central cooling plants and related distribution networks, as well as the production and selling of pre-insulated pipes and fittings.

From a modest beginning of its operations with a single temporary plant serving DIFC (the financial district of Dubai), Empower grew exponentially and became the largest District Cooling Services provider in the world by capacity within a span of a decade.

Empower provides its services to a portfolio of world-class projects in Dubai such as Dubai International Airport, Dubai International Financial Centre, Business Bay, Dubai Healthcare City, Palm Jumeirah, Jumeirah Lake Towers, Meydan, Deira Waterfront, Blue Waters, Jumeirah Group,

Jumeirah Beach Residence, Discovery Gardens, Ibn Battuta Mall, Dubai Design District, Dubai Production City, Dubai Land Residence Complex and many more.

*For more information, please visit EMPOWER's website **www.empower.ae***

EMPOWER's social media accounts:

 <https://www.youtube.com/@empowerenergysolutionsduba8951>

 <https://www.instagram.com/empower.ae>

 https://twitter.com/Empower_ae

 <https://www.linkedin.com/company/empowerae>