



Integrated Annual Report 2024

EMPOWER:

Cooling Icons,
Powering the Future.

www.empower.ae

EMPOWER:

Cooling Icons, Powering the Future.

EMPOWER stands as the world's largest district cooling services provider, ensuring that the most ambitious urban developments remain energy-efficient and sustainable. The striking 302-meter WASL Tower in Dubai, is not just an architectural wonder – it is a testament to innovation, resilience, and progress. Like the WASL tower, which offers a panoramic view of the city's future, EMPOWER provides the invisible yet essential cooling infrastructure that enables such landmarks to thrive.

FY2024 was another year of transformative growth, marked by financial resilience, operational expansion, and sustainability-driven innovation. Our total connected capacity grew to 1.566 million refrigeration tons (RT), supporting over 143,000 customers across Dubai's urban landscape. From the record-breaking Business Bay District Cooling Plant to new strategic projects in Jumeirah Beach Hills, Deira Waterfront, and Jumeirah Village, we are shaping the future of cooling at an impactful scale.

Our theme for FY2024, "Cooling Icons, Powering the Future," reflects this evolution—supporting today's landmarks while leading the transition towards sustainable urban infrastructure.

Through synergy across financial, technological, and environmental fronts, EMPOWER continues to drive industry leadership-

- » **Enabling Landmarks:** Across multiple leading landmarks and clusters in Dubai, we provide efficient cooling solutions that sustain global icons and urban megaprojects.
- » **Driving Innovation:** Our investments in AI-driven predictive maintenance, machine learning tools, and advanced metering systems are redefining efficiency.
- » **Expanding Sustainability:** We are aligning with the UAE's Net Zero by 2050 strategy through increased reliance on renewable energy and treated sewage effluent (TSE).
- » **Empowering Growth:** With AED 1.82 billion in free cash flow and strategic expansion into key developments, we are securing the future of sustainable cooling.

As Dubai scales new heights in urban innovation, EMPOWER remains the silent force behind its comfort and sustainability. With a commitment to cutting-edge technology and environmental stewardship, we continue to be the world's largest district cooling services provider.



To know more about EMPOWER
please scan the QR code above or visit

www.empower.ae

About this Report

The Integrated Annual Report for Emirates Central Cooling Systems Corporation PJSC (EMPOWER) covers the fiscal year 2024, providing stakeholders with a transparent, comprehensive view of our performance, strategy, and sustainability commitments.



Reporting Framework and Alignment

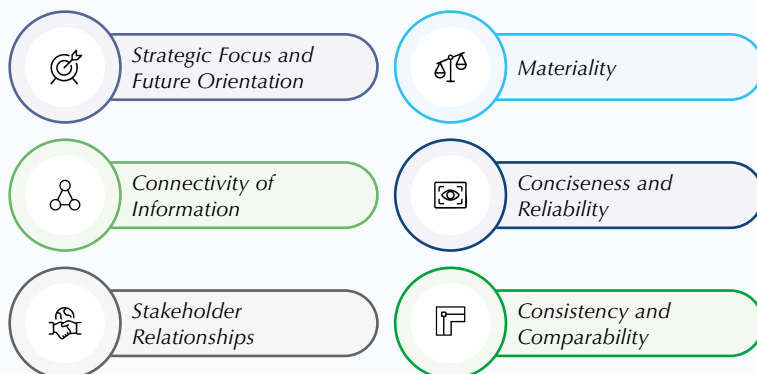
- » We adhere to the principles set by the **International Integrated Reporting Council (IIRC)** and the **Global Reporting Initiative (GRI) Standards**, following the core option of GRI Standards.
- » Our disclosures reflect **value creation** across the six capitals: **financial, manufactured, intellectual, human, social, and natural**.
- » We contribute to the UAE's **national agenda** and **United Nations Sustainable Development Goals (UNSDGs)**.

Purpose and Scope

This report outlines our progress and contributions toward enhancing customer experiences, advancing sustainability, and driving community impact. It aligns with leading international reporting frameworks and regulatory standards, reinforcing our commitment to corporate transparency and accountability.



Guiding Principles of Our Reporting:



- » **Strategic Focus and Future Orientation:** Demonstrates how our strategy drives long-term value creation and resilience.
- » **Connectivity of Information:** Illustrates the interdependence of resources, business activities, and outcomes.
- » **Stakeholder Relationships:** Shows our engagement efforts to address stakeholder priorities and expectations.
- » **Materiality:** Discloses the issues that are most relevant to EMPOWER and its stakeholders, linking them to value creation.
- » **Conciseness and Reliability:** Delivers insights that are clear, meaningful, and credible.
- » **Consistency and Comparability:** Maintains consistency over time, ensuring comparability with industry standards and peers.



Adherence to Regulatory Standards:

- » We align with the requirements of the UAE Securities and Commodities Authority (SCA) and the Dubai Financial Market (DFM).
- » Our ESG disclosures reflect contributions to the UN Sustainable Development Goals (SDGs).
- » We continuously refine our reporting practices to support the UAE's vision for sustainable development.

EMPOWER's 2024 Integrated Annual Report showcases our commitment to transparency, sustainability, and long-term value creation, aligning with global standards to enhance stakeholder trust, drive strategic growth, and contribute to a sustainable future.

Forward-Looking Statements

This report contains forward-looking statements based on current projections. These statements involve risks and uncertainties that could impact future results. Factors such as legislative changes, global market conditions, and ESG developments could affect actual outcomes. These statements are accurate as of the publication date, and EMPOWER is not obligated to update them in the future. This enhanced version of our Integrated Annual Report reflects EMPOWER's commitment to leadership, sustainability, and value creation, aligned with the highest reporting standards.



Assurance and Accuracy

- » Financial disclosures have been **externally audited** by our statutory auditors, ensuring reliability and accuracy.
- » Non-financial disclosures were prepared internally, reflecting our best understanding of impacts and performance.
- » EMPOWER assumes full responsibility for the accuracy, completeness, and timeliness of the information presented.



How to read this Report

The Integrated Annual Report for Emirates Central Cooling Systems Corporation PJSC (EMPOWER) provides a detailed, structured overview of our performance, strategy, and sustainability commitments for the fiscal year 2024. This guide outlines how to navigate the report and highlights the tools included to help you gain insights effectively:

Key Navigation Features

This section explains the key elements designed to help you navigate EMPOWER's Integrated Annual Report effectively:

- 1. Icons and Visual Aids:** Symbols used throughout the report to represent major themes, strategic pillars, and components of our business model, making it easier to connect related content.
- 2. Material Issue Numbers:** Unique numbers linked to topics identified through our materiality survey, indicating issues most important to our stakeholders and business operations.
- 3. Strategic Pillars:** Core areas of EMPOWER's strategy that frame our business objectives, showing how different sections contribute to overarching goals.
- 4. Business Model Elements:** Numbered components that outline how our business operates and creates value, such as partnerships, activities, and revenue streams.
- 5. United Nations Sustainable Development Goals (UNSDGs):** A set of global objectives to address critical challenges, with icons highlighting how EMPOWER's initiatives align with these goals.
- 6. Global Reporting Initiative (GRI) References:** Indicators from the GRI framework that demonstrate our compliance with international sustainability standards, ensuring transparency and comparability.

Navigating the Report Effectively

We recommend starting with the About EMPOWER section for highlights and using the Table of Contents to explore chapters of interest. Visual aids and cross-references throughout the report will help you link key themes to EMPOWER's strategy and performance.

Strategic Pillars - EMPOWER's Core Focus Areas

Pillar Number	Icon	Strategic Pillars (Read more on Page 34)
1		Green Leadership: Promoting sustainable technologies and eco-friendly operations.
2		Tech Innovation: Advancing AI, smart monitoring, and predictive maintenance.
3		Operational Excellence: Ensuring superior service performance.
4		Global Synergy: Building strong international partnerships.
5		Ethical Governance: Upholding integrity and transparent practices.
6		Community Impact: Supporting social well-being and local initiatives.
7		Financial Strength: Securing long-term growth and profitability.

Key Components of EMPOWER's Business Model

Component Number	Icon	Business Model Element (Read more on Page 38)
1		Value Propositions: Energy efficient cooling solutions for building clusters.
2		Customer Segments: Serving diverse industries and applications.
3		Customer Relationships: Building trust through reliable service.
4		Channels: Utilising advanced infrastructure and digital platforms.
5		Key Activities: Expanding operations and developing infrastructure.
6		Key Resources: Leveraging assets and skilled teams.
7		Key Partnerships: Collaborating with developers and stakeholders.
8		Cost Structure: Managing operational expenses efficiently.
9		Revenue Streams: Generating steady income from diversified sources.

Material Issues Surveyed

Issue Number	Domain (Read more on Page 44)
1	Environment: Climate Change Mitigation and Adaptation
2	Environment: Reducing Carbon Emissions
3	Environment: Energy Management and Renewable Energy Usage
4	Environment: Water Management
5	Social Capital: Human Rights
6	Social Capital: Community Engagement and Development
7	Social Capital: Customer Wellbeing
8	Human Capital: Employee Skill Development and Welfare
9	Human Capital: Employee Health and Safety
10	Human Capital: Employee Engagement, Diversity, and Inclusion
11	Business Model & Innovation: Access to Capital
12	Business Model & Innovation: Supply Chain Management
13	Business Model & Innovation: Adapting to New Technologies
14	Business Model & Innovation: Long-Term Management of Assets
15	Leadership & Governance: Business Ethics, Integrity, Transparency, and Anti-Bribery Corruption Practices
16	Leadership & Governance: Renewable Energy
17	Leadership & Governance: Competitive Behaviour
18	Leadership & Governance: Risk Management
19	Leadership & Governance: Responsible Investment
20	Leadership & Governance: Reputation, Communications, and Awareness
21	Economy: Financial Crisis Economic Effects
22	Economy: Contribution to the Economic Development
23	Economy: Capital Values

Related UNSDGs Reference throughout the Report

UNSDG #	Icon	Sustainable Development Goal
UNSDG 2		Zero Hunger
UNSDG 3		Good Health and Well-being
UNSDG 4		Quality Education
UNSDG 5		Gender Equality
UNSDG 6		Clean Water and Sanitation
UNSDG 7		Affordable and Clean Energy
UNSDG 8		Decent Work and Economic Growth
UNSDG 9		Industry, Innovation, and Infrastructure
UNSDG 10		Reduced Inequalities
UNSDG 11		Sustainable Cities and Communities
UNSDG 12		Responsible Consumption and Production
UNSDG 13		Climate Action
UNSDG 15		Life on Land
UNSDG 16		Peace, Justice and Strong Institutions
UNSDG 17		Partnerships for the Goals

Pertinent GRI References

In line with our commitment to global reporting standards, this report extensively incorporates Global Reporting Initiative (GRI) references (Pages 210-211), tailored to the District Cooling industry's unique context. This approach highlights our contributions, challenges, and industry-specific impact areas, providing stakeholders with a clear, comprehensive understanding of our performance.

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STRATEGY

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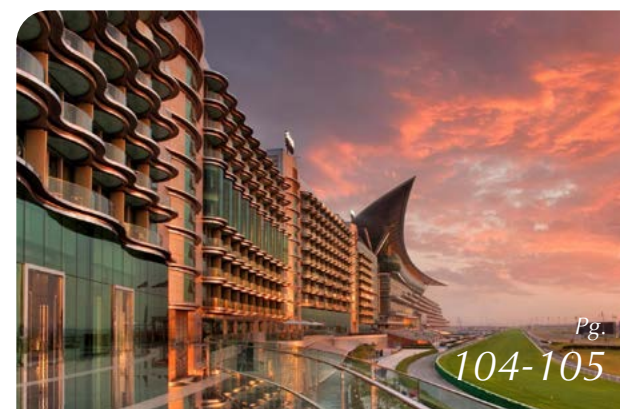
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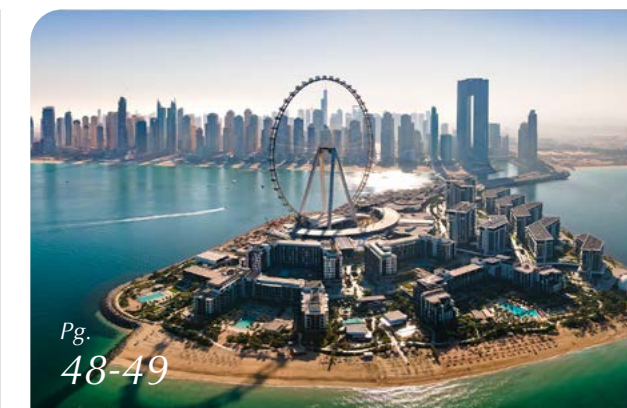
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SECTION

01

ABOUT

At EMPOWER, every achievement reflects our commitment to innovation, sustainability, and delivering lasting value. From pioneering district cooling technologies to driving financial and operational excellence, our story is one of resilience and progress. We enhance developments, energize communities, and drive impact beyond numbers—delivering sustainable cooling solutions while upholding the highest standards of service. As you explore our journey, witness how EMPOWER's milestones, projects, and strategic direction come together to redefine industry benchmarks and position us at the forefront of sustainable urban development.

EMPOWER At a Glance

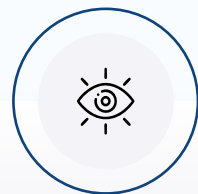
About EMPOWER

At EMPOWER, we are on a mission to promote district cooling services in Dubai and beyond, bringing world-class solutions to urban landscapes. In just over a decade since our inception, we have not only grown – we have emerged as the world’s largest district cooling services provider by capacity, cementing our position as a leader in Dubai’s district cooling market.

Our success is built on an extensive portfolio of advanced district cooling systems, which we own and operate across Dubai. Our strategy centres on transforming conventional cooling methods into innovative, energy-efficient solutions, directly supporting the UAE’s ambitious carbon neutrality goals.



As we share our journey in this Integrated Annual Report, it is more than a record of achievements — it is a roadmap for the future. Our path is guided by innovation, sustainability, and a commitment to our community, driving us towards a cooler, greener, and more sustainable urban environment. We are proud to be at the forefront of our industry, dedicated to delivering excellence and value to our stakeholders while contributing meaningfully to society.



Our Vision

To be the world’s leading district cooling services provider.



Our Mission

To promote sustainable and optimised use of energy resources by delivering reliable, cost-effective and environmentally friendly world-class district cooling services to achieve customer satisfaction, thereby creating long-term shareholder value.

Financial Highlights

	FY2024	Description
Revenue	3.26 AED Billion	+7.4% growth highlights EMPOWER’s market expansion and eco-friendly service demand.
EBITDA	1.551 AED Billion	+6.2% growth reflects enhanced operational efficiency and cost management.
Dividend Payment	850 AED Million	Consistent shareholder returns, fulfilling EMPOWER’s annual commitment.

Financial Highlights (contd.)

	FY2024	Description
Net Debt-to-Equity Ratio	1.05	Demonstrates prudent financial management and long-term sustainability.
Market Capitalisation	18.2 AED Billion	9.6% YOY growth reflects strong market confidence and performance.
Earnings Per Share (EPS)	0.090 AED	Slight decrease due to introduction of Corporate Tax in UAE effective 1-Jan-24.

Operational Highlights

	FY2024	Description
Connected Capacity	1,566K+ RT	Solidifying EMPOWER’s pioneering position in district cooling.
Customers Served	143,000+	Expanded and strong customer base.
Network Expansion	418+ km	+5% expansion enhances infrastructure and service efficiency.

Social Capital

	FY2024	Description
Customer Happiness Rate	97.26%	Maintained high satisfaction, exceeding threshold benchmarks.
CSR Initiatives	743,391 AED	Contributions to environmental, cultural, and heritage programmes.
Diversity & Inclusion	31.4%	Emiratis comprise a significant portion of head office employees.
Environmental Education	200+ participants	Engaged in sustainability education through various initiatives, including consultant meetings, workshops, and educational tours.

Natural Capital

	FY2024	Description
Waste Management	14,231.10 kg	Recycled 3.07% of total waste, up from 2,800 kg in FY2023.

Flagship Projects: Shaping the Skyline

Serving Dubai's illustrious Locations

EMPOWER provides sustainable district cooling solutions to some of Dubai's most iconic destinations, supporting operational efficiency, comfort, and environmental responsibility. These projects exemplify Dubai's architectural brilliance and EMPOWER's role in enabling sustainable urban infrastructure.

 <p>Ain Dubai, Bluewaters <i>World's tallest observation wheel</i></p>	 <p>Atlantis The Royal <i>The most ultra-luxury resort in the world</i></p>	 <p>Burj Al Arab <i>World's most luxurious hotel</i></p>
 <p>Dubai International Airport <i>Busiest airport and global aviation hub</i></p>	 <p>Dubai International Financial Centre <i>Dubai's financial district</i></p>	 <p>Museum Of The Future <i>The most beautiful building on earth</i></p>
 <p>Emirates Towers <i>Iconic twin skyscrapers</i></p>	 <p>Palm Jumeirah <i>The world's largest manmade island</i></p>	 <p>Wasl Tower <i>A 302m iconic twisted skyscraper</i></p>

Expanding across Dubai's iconic skyline during FY2024

EMPOWER continued its growth in Dubai's district cooling sector during FY2024, adding landmark developments to its portfolio and showcasing our expertise in delivering sustainable, efficient cooling solutions.



» **Wasl Tower:** 3,900 RT | Iconic twisted skyscraper on Sheikh Zayed Road. A 302-meter-high iconic twisted skyscraper, spread across 65 levels located on Sheikh Zayed Road, Dubai. The Al Wasl Tower stands as the tallest ceramic façade in the world, showcasing unique architectural designs that reflect the city's rich skyline. EMPOWER started serving the tower with its environmentally friendly district cooling services in 2024 for the first phase and the total cooling capacity will be 3,900 RT upon completion of all phases.



» **The Crest & The Crest Grande (Sobha Realty):** 4,100 RT & 4,200 RT | Meydan luxury developments
The Crest and The Crest Grande by Sobha Realty are luxury waterfront residences in Sobha Hartland, offering premium apartments with stunning views of Dubai's skyline, set amidst serene waterways and lush greenery.



» **Regalia Tower, Deyaar Development (Business Bay):** 2,580 RT | Premium residences
Regalia is a 75-storey residential building developed by Deyaar Developments in Business Bay, Dubai. Regalia offer panoramic views overlooking Dubai Creek, Dubai Lagoon and Mohammed Bin Rashid City.



» **The Peninsula:** 2,730 RT | Mixed-Use Development by Select Group
The largest mixed-use development in Business Bay, Dubai, featuring eight buildings, green spaces, retail, and waterfront amenities. In 2024, EMPOWER connected Towers E and D, delivering 2,730 RT of district cooling from the total 10,915 RT planned for the project.

Key Highlights FY2024

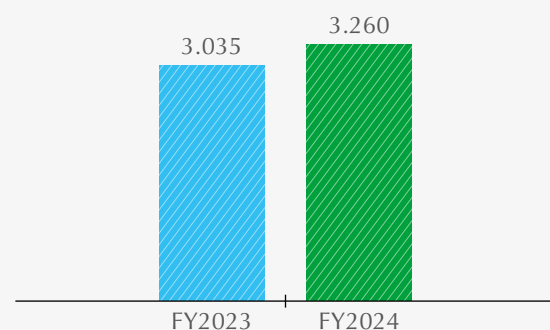
Growth with operational excellence and impact



In 2024, EMPOWER demonstrated strong financial and operational results, achieving strategic milestones while upholding its dedication to sustainability and stakeholder value creation. Despite a complex global market, the company remained focused on operational excellence and financial resilience, which supported growth and improved shareholder returns. EMPOWER's commitment to sustainable development not only solidified its leadership in the district cooling sector but also emphasised its crucial role in promoting climate sustainability, achieving a revenue of AED 3.26 billion. The company's dedication and innovative strategies are aimed at building a sustainable future and delivering substantial value, reinforcing the shared vision for a greener and more sustainable world.

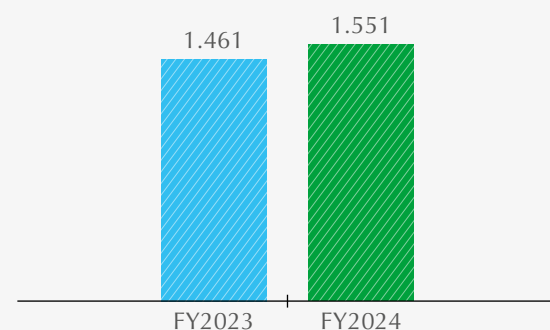
Revenue (AED billion)

(+7.4%)



EBITDA (AED billion)

(+6.2%)



KPI Category	KPI	FY2023	FY2024	Change (%)	What does this mean?
Operational Efficiency	EBITDA (AED billion)	1.461	1.551	+6.2%	Growth of EBITDA indicates enhanced operational efficiency and cost management. It shows the company's success in increasing operating profits through better operational practices and expense management.
	Connected Capacity (k RT)	1,512	1,566	+3.6%	Signifies an expansion in operational capabilities, indicating success in extending district cooling services to more customers. Reflects market demand and the company's ability to scale its infrastructure efficiently.
	Contracted Capacity (k RT)	1,663	1,764	+6.1%	Showcases a strengthening market position with more customers committing to services. Underscores client trust and confidence, highlighting potential revenue streams and solidifying prospects for sustained growth.
Revenue and Profitability	Revenue (AED billion)	3.03	3.26	+7.4%	Emphasises strategic expansions and market penetration, reflecting the rising demand for sustainable district cooling solutions. Aligns with consumer needs and operational success, underscoring leadership in advancing energy efficient space cooling technologies.
Portfolio and Infrastructure Development	Buildings Served	1,527	1,637	+7.2%	Reflects commitment to extending district cooling services to various applications and supporting sustainable urban development.
Accessibility Reach	Network (km)	398	418	+5.0%	Facilitates superior service delivery, underpinning the infrastructure development strategy.
Financial Health	Gross Debt-to-Equity Ratio	1.36	1.63	-	Reflects disciplined financial management and strategic debt use to fund growth while maintaining balance.
	Net Debt-to-Equity Ratio	1.19	1.05	-	Reflects continued prudent financial management strategies, ensuring long-term sustainability.
	Interest Coverage Ratio	4.23	3.99	-	Demonstrates financial stability and strong capacity to cover interest expenses, with EBIT of AED 1,192.4 million.
Profitability Metrics	Earnings Per Share (EPS) (AED)	0.095	0.090	-	Basic and diluted EPS saw a slight decline due to introduction of corporate tax in UAE effective 1-Jan-24.
Return on Investment	Return on Capital Employed (ROCE) (%)	15.5%	14.3%	-	Highlights efficient capital use and effective deployment, maintaining solid returns.
Market Capitalisation	Market Capitalisation (AED billion)	16.6	18.2	9.6%	Reflecting investor confidence and EMPOWER's market leadership.

KPI Category	KPI	FY2023	FY2024	Change (%)	What does this mean?
Dividends	Dividend Payment (AED million)	850	850	-	The distribution marks the fulfilment of EMPOWER's commitment to pay dividends to its shareholders twice a year, with a cumulative value of AED 850 million per annum during the first two fiscal years following its listing on the Dubai Financial Market.

Discover the key operational highlights for FY2024 through an overview of our achievements		Read more
District Cooling Plants	88 district cooling plants were in operation by the end of 2024.	Page 59
Customers Serviced	Over 143,000 customers were serviced by EMPOWER in 2024.	Page 93
Buildings Serviced	The total number of buildings served reached 1,637 in 2024.	Page 59
Connected Capacity	Total Connected Capacity in FY2024 was 1.57 million RT, reflecting expansion with 55k RT added.	Page 61
Contracted Capacity	Contracted Capacity in FY2024 reached 1.76 million RT, demonstrating strong market demand and future revenue growth.	Page 65
Reverse Osmosis (RO) Capacity	EMPOWER expanded its Reverse Osmosis (RO) Capacity to 21,359 m ³ /day, enhancing its water recycling and treatment capabilities and strengthening its long-term water security strategy.	Page 99
New Plants & Expansions	<ul style="list-style-type: none">» Commenced operations of the first phase of its Jumeirah Beach Hills (JBH) District Cooling Plant, which will reach a total production capacity of 48,000 RT upon completion.» Awarded the design contract for its second district cooling plant in Jumeirah Village, with a planned capacity of 37,000 RT.» Constructing a new district cooling plant in Dubai's Deira Waterfront district, set to serve more than 46 buildings, with a total production capacity of 39,000 RT.	Page 63
Key Connections	<ul style="list-style-type: none">» Connected to Wasl Tower with a capacity of 3,900 RT.» Supplied 4,100 RT to The Crest and 4,200 RT to The Crest Grande in Meydan.» Connected to Regalia Tower of Deyaar Development projects with 2,580 RT and buildings E & D of the Peninsula, developed by Select Group with 2,730 RT	Page 19
Key Contract	<ul style="list-style-type: none">» Signed an agreement with Al Habtoor Group to provide 7,200 RT of district cooling to the iconic Al Habtoor Tower.	Page 146
Upgradation Projects	<ul style="list-style-type: none">» Upgraded chiller systems at Business Bay 02 and Al Barari Development District Cooling Plants with Variable Speed Drives (VSDs), leading to improved efficiency and reduction in energy consumption.	Page 62
Technology & Innovation	<ul style="list-style-type: none">» Investing in AI-driven solutions, machine learning tools, and advanced metering infrastructure to optimise operations.» Implemented advanced control systems and smart monitoring technologies.	Page 62

Discover the key operational highlights for FY2024 through an overview of our achievements		Read more
Sustainability	<ul style="list-style-type: none">» Committed to achieving carbon neutrality across all plants by 2050.» Actively increases the use of renewable energy and Treated Sewage Effluent (TSE).	Page 98
Awards & Recognitions	<ul style="list-style-type: none">» Guinness World Records for the highest capacity district cooling plant (DCS) and the largest cooling plant coverage (Number of Buildings) for the Business Bay District Cooling Project» LEED Gold Certification for the Business Bay 05 District Cooling plant.» Received two international innovation awards and two Space awards at the IDEA Annual Conference and Exhibition in the USA.» Recognised by Moro Hub for efforts in reducing carbon emissions.» Dubai Supreme Council of Energy honoured with the title of "Leading District Cooling Company in Dubai" under the Dubai Demand Side Management (DSM) Recognition Program.	Page 69
Sustainability & Community Initiatives	<ul style="list-style-type: none">» Hosted UNEP technical study tour for countries in Dubai, as part of promoting the environmentally friendly District Cooling solution globally.» Reduced 42,415.92 kilograms of carbon emissions over three years through its use of Moro's Green Data Centres.» Conducted "Set at 24°C & Save" annual campaign to encourage responsible cooling habits.» Participated in the "For Our Emirates We Plant" initiative, planting 3,884 native trees.» Sponsored International District Energy Association (IDEA) conferences and region's largest Sustainability & Clean Energy Technology Exhibition 'WETEX'	Pages 94, 96, 102 & 114
Strategic Partnerships	<ul style="list-style-type: none">» Collaboration with ASHRAE to co-develop a unified global standard for district cooling and to research for the next generation technology of District Cooling.» Partnerships with Emirates Environmental Group (EEG) and Yes Full Circle (YFC) to enhance recycling efficiency and divert waste from landfills.	Page 71
Waste Management	<ul style="list-style-type: none">» Recycled 14,231.10 kg of waste (3.07% of total waste), a substantial increase from 2,800 kg in 2023.	Page 100
Customer Satisfaction	<ul style="list-style-type: none">» Customer happiness rate threshold at 97.26%.	Page 92
Technological Advancement	<ul style="list-style-type: none">» Implemented award-winning 'Chiller Efficiency Improvement at Business Bay 02' and 'Integrated Metering Solutions'.» Additional integration of Reverse Osmosis (RO) technology into operations to enhance water efficiency.» Expansion of Thermal Energy Storage (TES) capacity to store chilled water during off-peak hours and reduce energy demand during peak load periods.	Pages 65 & 69
Emiratization and Inclusion	Actively supports Emiratization programmes by attracting and developing local talent in the district cooling sector, and maintaining diversity in the workforce.	Page 80
Public Engagement and Thought Leadership	Participation in high-profile summits and climate forums, such as the World Green Economy Summit.	Page 144
Data Security	Operates in full compliance with the Government of Dubai's Information Security Regulations, reinforced by EMPOWER's upgrade to the ISO 27001:2022 standard.	Page 93

SECTION

02

STRATEGY

Our course of action

Guided by Vision, Driven by Impact

At EMPOWER, our path forward is shaped by visionary leadership, strategic clarity, and a deep commitment to sustainability. Every decision we make is guided by our mission to drive value and contribute to a cooler, more sustainable future. Our course is defined by innovation, operational excellence, and a clear blueprint for growth. As we navigate challenges and seize opportunities, we remain focused on delivering long-term value for our stakeholders and setting new standards for industry leadership. This is how we chart our course—boldly, responsibly, and with purpose.

Chairman's Message for FY2024



EMPOWER is shaping Dubai's sustainable future by delivering energy-efficient district cooling, reducing carbon emissions, and setting global standards—driving environmental impact while enhancing the city's resilience and long-term sustainability.



H.E. Saeed Mohammed Al Tayer

Chairman

Emirates Central Cooling Systems Corporation PJSC (EMPOWER)

Dear Shareholders, Partners, and Employees

I am pleased to share EMPOWER's outstanding achievements in 2024—a landmark year that reinforced our leadership in the district cooling sector and underscored our commitment to sustainable growth and innovation.

Throughout the year 2024, we experienced accelerated strategic growth, driven by Dubai's thriving economy and real estate sector. This expansion fuelled the demand for high-efficiency district cooling solutions, further solidifying EMPOWER's position as a leading provider of reliable and sustainable services that set new benchmarks in operational efficiency and environmental responsibility.

District cooling has evolved beyond an advanced cooling technology into a fundamental pillar of sustainability, significantly reducing energy consumption and carbon emissions compared to conventional systems. In line with this, we continue to invest in enhancing our operational efficiency, contributing to Dubai's ambitious environmental vision while delivering long-term value to our customers and to all stakeholders.

This commitment is evident in the growing adoption of our services, with customer consumption increasing by 10% in FY2024 compared to the previous year, demonstrating confidence in our innovative solutions. Our connected capacity reached 1.57 million refrigeration tons (RT), while contracted capacity rose to 1.76 million RT. Additionally, the number of new agreements increased by 29%, reflecting the market's accelerated shift towards more sustainable and energy-efficient cooling solutions.

EMPOWER's influence extends beyond the local market, as we continue to play a pivotal role in shaping global district cooling standards. A key milestone was our collaboration with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) to develop a globally recognised district cooling standard. Additionally, our strategic partnerships with international organisations such as the United Nations Environment Programme (UNEP) and the International District Energy Association (IDEA) reaffirm our commitment to implementing global best practices in the industry.

AED 850 Million

Paid in dividends in FY2024

Financially, EMPOWER delivered strong performance in FY2024, with total revenue reaching AED 3.26 billion, reflecting a 7.4% year-on-year growth. EBITDA increased to AED 1.55 billion, marking a 6.2% rise. In line with our commitment to delivering sustainable returns to our shareholders, we distributed AED 850 million in dividends this year, bringing our total cash distributions since our listing on the Dubai Financial Market to AED 1.7 billion.

Looking ahead, our strategy remains centered on sustainable expansion, the development of new district cooling plants, and continuous improvements in operational efficiency to meet the growing demand for eco-friendly cooling solutions. By embracing cutting-edge technologies and innovative solutions, we will further strengthen our position as an industry leader, supporting Dubai's future growth.

I extend my sincere gratitude to our shareholders, customers, partners, and employees for their trust and continued support, which remain the foundation of our success. Together, we will shape the future of district cooling and contribute to a more sustainable tomorrow.

I would also like to express my appreciation to our CEO, Ahmad bin Shafar, for his exceptional leadership in driving these remarkable achievements and elevating the company's global reputation through numerous prestigious awards. My gratitude extends to our outstanding team, whose dedication to innovation and excellence propels our progress. Finally, I thank our shareholders for their confidence in our vision to create a more sustainable future for generations to come.

Thank You,

H.E. Saeed Mohammed Al Tayer
Chairman
Emirates Central Cooling Systems Corporation PJSC (Empower)

CEO's Message for FY2024



Dear Stakeholders,

At the core of EMPOWER's sustained leadership in the district cooling industry is our relentless pursuit of innovation, strategic expansion, and environmental stewardship. As the world's largest district cooling services provider, our ability to combine cutting-edge technology with sustainable business practices has set industry benchmarks, reinforcing our role as a key enabler of urban resilience and energy efficiency.

FY2024 was a defining year for us, marked by significant financial growth, continued infrastructure expansion, and deeper engagement with our stakeholders. With a clear vision for the future, we remain focused on delivering sustainable, energy-efficient cooling solutions that align with Dubai's strategic growth plans and the UAE's Net Zero by 2050 ambitions.

A Year of Financial Strength and Operational Excellence

EMPOWER's financial performance in FY2024 reflects our disciplined approach to growth and value creation. Our revenue surged to AED 3.26 billion, a 7.4% increase from the previous year, reinforcing our ability to capitalize on rising demand for sustainable cooling solutions. EBITDA increased by 6.2%, reaching AED 1.551 billion, reflecting strong cost efficiency and operational effectiveness.

Despite robust top-line growth, net profit stood at AED 908 million, slightly lower than FY2023, due to the introduction of corporate taxation and increased finance costs. However, our stable dividend policy, which saw a payout of AED 850 million, underscores our firm commitment to delivering shareholder value.

With persistent growth and strategic expansion, FY2024 reinforced our position as the world's largest district cooling services provider. By scaling our connected capacity to 1.57 million RT, we are powering the future of sustainable cities.

We continued to strengthen our balance sheet, with total assets reaching AED 11.2 billion, reflecting our disciplined capital investments and expansion initiatives. Our debt-to-equity ratio stood at 1.63, ensuring financial resilience while enabling strategic growth. In FY2024, EMPOWER generated a robust AED 1.82 billion in free cash flow, a 31% increase from the previous year, driven by higher operational efficiencies, strong revenue growth, and disciplined capital management.

Expanding Our Reach with Sustainable Cooling Solutions

At EMPOWER, infrastructure expansion and modernization remain at the heart of our growth strategy, reinforcing our leadership in sustainable district cooling. In FY2024, we continued to scale our operations, increasing our total connected capacity to 1.57 million refrigeration tons (RT)—a 3.6% growth from the previous year. With this expansion, we now serve over 143,000 customers across 1,637 buildings, further solidifying our presence in Dubai's urban landscape.



H.E. Ahmad Bin Shafar

Chief Executive Officer

Emirates Central Cooling Systems Corporation PJSC (EMPOWER)



Sustainability is the driving force behind our innovation. From AI-driven optimisation to cutting-edge cooling solutions, we are redefining urban efficiency for generations to come.

This year saw remarkable progress on several key projects that will define the future of district cooling. Our Business Bay District Cooling Project retained its Guinness World Record for the highest-capacity district cooling plant, with total capacity reaching 451,540 RT. In parallel, the Jumeirah Beach Hills (JBH) District Cooling Plant commenced operations, setting the stage for an ultimate capacity of 48,000 RT, catering to one of Dubai's most prestigious residential and tourist destinations. Furthering our expansion, construction began on the Deira Waterfront District Cooling Plant, which will serve 46 buildings with a total production capacity of 39,000 RT. Additionally, plans for our second district cooling plant in Jumeirah Village progressed, marking a strategic expansion that will add 256,000 RT across six new plants, ensuring we continue to meet the rising demand for sustainable cooling solutions.

Beyond physical expansion, we have prioritized technological advancements to drive efficiency and environmental stewardship. Our reverse osmosis plants, advancements in thermal energy storage systems, and the integration of solar energy in our facilities reflect our commitment to sustainability while significantly improving operational efficiency. The introduction of Variable Speed Drives (VSDs) at key chiller plants has led to a 15-20% reduction in energy consumption, preventing significant CO₂ emissions annually. Further strengthening our infrastructure, we have integrated AI-driven predictive maintenance, machine learning tools, and advanced metering systems, ensuring enhanced efficiency and a seamless customer experience.

Our ability to forge strong partnerships has been instrumental in our growth. This year, we expanded our network to include major new developments such as Al Habtoor Tower, one of the world's largest residential landmarks,

with 7,200 RT, along with Wasl Tower, a 302-meter-high skyscraper, now connected with a 3,900 RT capacity. In addition, we have further cemented our presence in the Business Bay and Jumeirah Lakes Towers (JLT) areas, supporting the cooling needs of premium real estate projects, including Sobha Realty's The Crest and The Crest Grande, which added a combined 8,300 RT to our portfolio.

Each of these milestones reflects our solid commitment to sustainability, efficiency, and urban transformation. By integrating cutting-edge technologies with large-scale infrastructure growth, we continue to define the future of district cooling—delivering innovative, energy-efficient solutions that contribute to Dubai's ambition of becoming a global leader in sustainable urban development.

Driving Sustainable Innovation in Urban Cooling Solutions

Sustainability remains the cornerstone of our business strategy. We are actively advancing the UAE Net Zero by 2050 Vision, with a commitment to carbon neutrality through increased reliance on renewable energy and treated sewage effluent (TSE).

1.86 Million RT

Targeting to achieve 1.86 million RT in connected capacity by 2027.

Other key milestones in FY2024 include:

- » Hosting a UNEP-led technical study - tour on district cooling for high-level global delegations.
- » Winning the Innovation and Space Awards from IDEA.
- » Collaborating with ASHRAE to develop global district cooling standard and conduct research for the next generation district cooling systems.
- » Recognition by Moro Hub for reducing 42,415.92 kg of carbon emissions, achieved through the integration of green data centres.
- » Award received from the Supreme Council of Energy for being the Leading District Cooling Company in Dubai under DSM Strategy recognition program.

By embedding sustainability into every facet of our operations, we are not only enhancing our environmental impact but also ensuring long-term business resilience.

Empowering Our People: The Heart of Our Success

Our workforce is our greatest asset. In FY2024, we continued to invest in employee development, workplace safety, and diversity, ensuring a thriving work environment. With a workforce representing 27 nationalities and a retention rate of 87.8%, we foster a culture of inclusivity and professional growth.

Key achievements in human capital development:

- » 963 total training hours, enhancing skills in sustainability and technology.
- » 1,544 safety-focused training sessions with 7,906 attendees and 3,438 man-hours, ensuring industry-leading health and safety standards.
- » Strengthened Emiratisation initiatives, contributing to national workforce development.

Through these efforts, we are building a strong, resilient workforce that is well-equipped to drive EMPOWER's vision forward.

Positioned for Scaling New Heights in District Cooling

Our vision for the future is ambitious and clear. Guided by our strategic plans, we aim to expand our global footprint and further consolidate our leadership in district cooling.

With our financial strength, technological leadership, and sustainability-driven approach, we are poised for transformative growth, ensuring a cooler, greener, and more efficient future for cities worldwide.

In Closing

I extend my heartfelt gratitude to our Board of Directors, Dubai's visionary leadership, our investors, customers, and, most importantly, our employees. Your dedication and unwavering support have been the driving force behind our continued success.

Together, we are shaping the future of sustainable cooling, pioneering solutions that will define urban infrastructure for generations to come.

Best regards,

H.E. Ahmad Bin Shafar
Chief Executive Officer
Emirates Central Cooling Systems Corporation
PJSC (EMPOWER)

Navigating the Landscape

A story of Diversification and Strategic Vision

UNSDG:



Strategic Pillars:



The strategic plan includes a goal of carbon neutrality in all plants by 2050

Material Issue Surveyed

1, 2, 3, 4, 5, 26

Business Model Elements:



GRI

201, 103, 201-2, 302-4, 102-2, 103-2, 303, 305, 203, 302

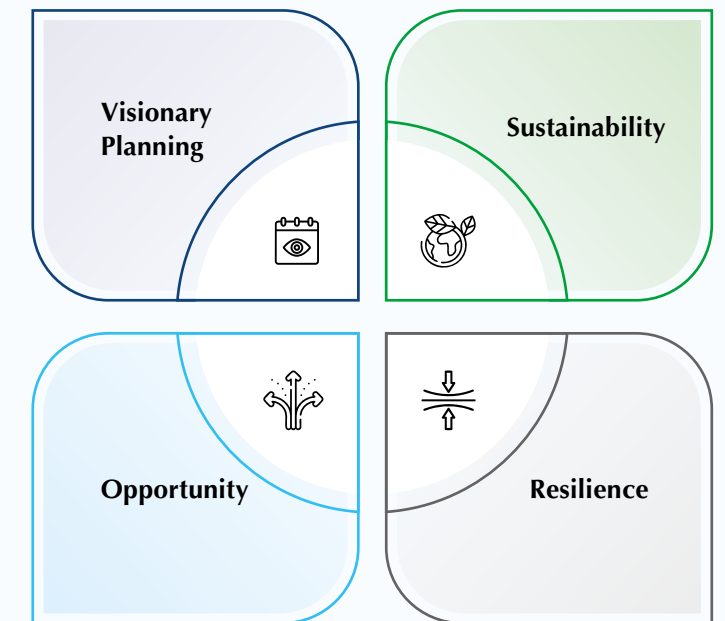
3.5-4.0%

Estimated growth of Dubai for CY2024

In 2024, the UAE solidified its position as a dynamic and resilient economy, showcasing impressive growth driven by its ongoing commitment to diversification and strategic reforms. As the nation continues to reduce its dependence on oil, robust performance across non-oil sectors has been the cornerstone of its economic transformation. The UAE's appeal as a global investment destination has been reinforced by its ability to attract foreign capital and implement forward-thinking policies, further underscoring its economic leadership in the region.

Dubai's Gross Domestic Product (GDP) grew 3.5% to 4% in 2024 (Dubai Statistics Centre estimates), driven by real estate, trade, tourism, and financial services. Strategic investments in infrastructure, sustainability, and technology have bolstered Dubai's position as a global business hub. EMPOWER's sustainable district cooling solutions contribute significantly to this growth by enhancing energy efficiency and supporting the emirate's infrastructure development

Visionary Economic Strategy Overview

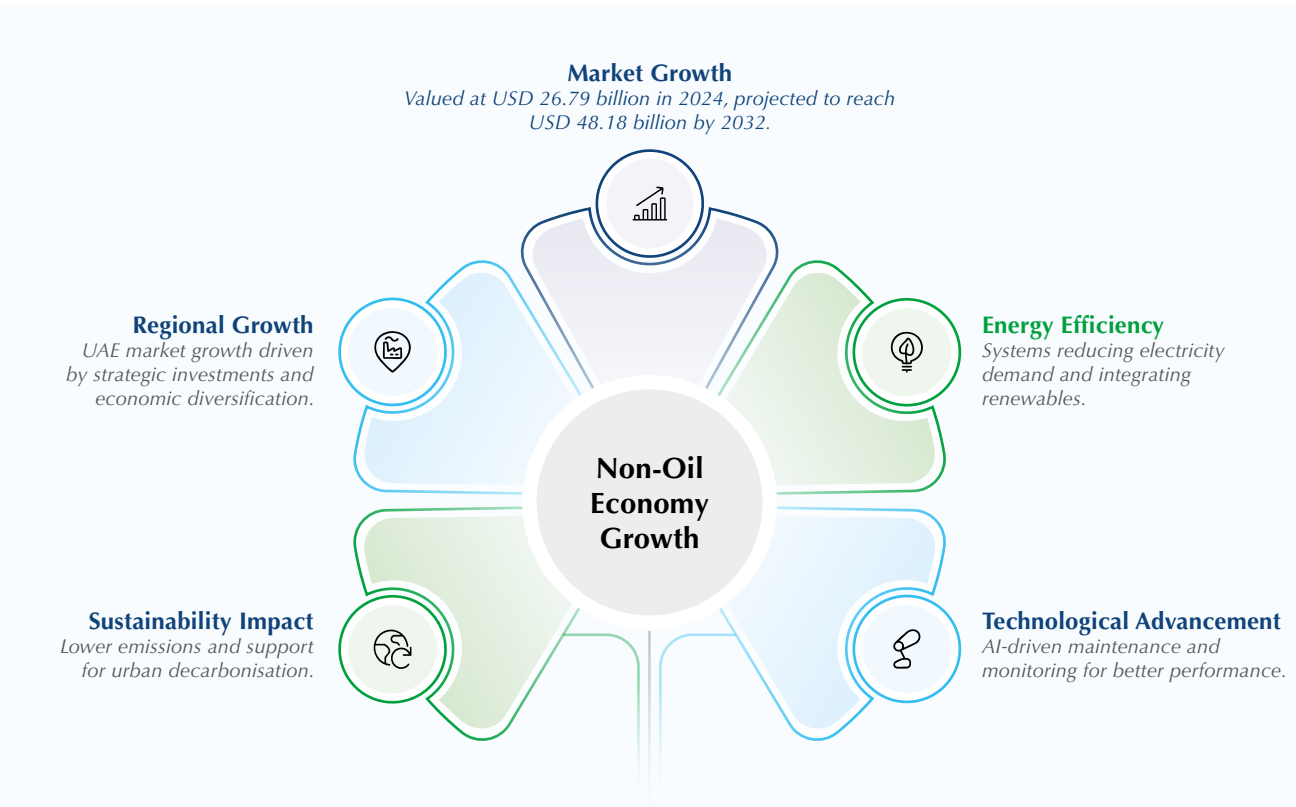


A flourishing non-oil economy	Sustainability at the core of economic strategy	Charting a future of resilience and opportunity	A visionary economy ready for the future
<p>The non-oil sector has been a standout performer, recording a year-on-year growth rate of 4.8% in the second quarter of 2024, up from 4.0% in the previous quarter. Sectors such as tourism, trade, transportation, and real estate have played pivotal roles in this growth. Dubai's real estate market, in particular, continues to thrive, buoyed by strong demand for luxury properties and sustained interest from international investors.</p>	<p>The UAE's economic growth story is intricately tied to its ambitious sustainability agenda. The nation's commitment to renewable energy is exemplified by Dubai's targets of achieving 25% renewable energy by 2030 and 100% clean energy by 2050. Flagship projects such as the Mohammed bin Rashid Al Maktoum Solar Park underscore these efforts and demonstrate the UAE's leadership in the global transition to sustainable energy.</p>	<p>The UAE's forward momentum is built on a foundation of strategic investments and a proactive approach to economic diversification. Manufacturing and renewable energy projects are poised to drive the next wave of growth, while sectors such as tourism, financial services, and real estate continue to thrive. This balanced approach positions the UAE to navigate global economic uncertainties with confidence and seize emerging opportunities.</p>	<p>The UAE's economic narrative in 2024 is one of strength, vision, and adaptability. With a diversified economy, ambitious sustainability goals, and a commitment to innovation, the nation stands as a beacon of resilience and opportunity. For investors, the UAE offers not only a stable and growing market but also a compelling story of a forward-thinking economy shaping the future of the region and beyond.</p>
<p>Meanwhile, the financial services, construction, and communication sectors have further contributed to the UAE's economic dynamism. Dubai's population, which reached approximately 3.82 million in 2024, highlights the emirate's enduring allure as a global hub for talent and investment. The influx of professionals and investors not only bolsters the local economy but also reinforces the UAE's reputation as a premier destination for living and business.</p>	<p>Aligned with its vision for sustainability, Dubai has also prioritised district cooling systems, aiming to meet 40% of its cooling demand through this energy-efficient technology by 2030. These initiatives not only enhance environmental stewardship but also contribute to economic efficiency, supporting the UAE's long-term goals.</p>	<p>At the same time, challenges remain. The UAE's ability to sustain its diversification efforts and innovate in the face of global shifts will be critical. Yet, its focus on sustainability, including renewable energy and district cooling, ensures a future of growth that is both responsible and resilient. By fostering innovation, attracting foreign investment, and expanding its non-oil economy, the UAE is poised to remain a leader in the regional and global economic landscape.</p>	

Global District Cooling Market Dynamics

(GRI 201-2, GRI 302-4)

The global district cooling market is experiencing significant growth, driven by climate change and the increasing need for energy-efficient solutions. According to the World Meteorological Organisation, 2024 marked the hottest year on record, with global temperatures rising approximately 1.55°C above pre-industrial levels. This has amplified demand for sustainable cooling systems. The market, valued at USD 26.79 billion in 2024, is expected to reach USD 48.18 billion by 2032, reflecting a compound annual growth rate (CAGR) of 7.8%. Increasing urbanisation and supportive government policies, are driving this growth. District cooling systems, which consume up to 50% less energy than traditional cooling methods, are poised to become integral to sustainable urban development, particularly in rapidly growing and climate-vulnerable regions.



Key Aspects of the Global District Cooling Market

Aspect	Why it matters to EMPOWER
Market growth Valued at USD 26.79 billion in 2024, projected to reach USD 48.18 billion by 2032 at a 7.8% CAGR.	Reflects the global demand for district cooling solutions, aligning with the UAE's vision to lead sustainable urban development. A growing market offers opportunities for UAE-based providers to export expertise, expand operations, and attract international investments to the region.
Energy efficiency Systems reduce electricity demand by up to 50% and integrate with renewables for reduced emissions.	Supports the UAE's ambitious energy transition goals, including increasing renewable energy penetration and achieving energy efficiency targets under the UAE Energy Strategy 2050. It also helps reduce strain on the UAE's electricity grid during peak summer demand.
Technological advancements AI-driven predictive maintenance and real-time monitoring enhance system performance.	Positions UAE based providers as leaders in advanced district cooling technologies, fostering innovation that aligns with the nation's drive toward becoming a hub for smart and sustainable solutions in the region. Enhanced reliability and efficiency strengthen the UAE's global competitiveness.
Sustainability impact Enables lower greenhouse gas emissions and supports urban decarbonization efforts.	District cooling aligns with the UAE's net-zero 2050 targets by reducing emissions from energy-intensive cooling demands. It supports the country's efforts to combat climate change while enhancing its reputation as a pioneer in sustainable urban infrastructure.
Regional growth Dubai targets achieving 25% renewable energy by 2030 and 100% clean energy by 2050.	Highlights opportunities for UAE providers to strengthen their regional presence and establish themselves in global markets, leveraging the UAE's strategic location and advanced infrastructure to become a key player in the global district cooling industry.

EMPOWER's strategic market positioning

(GRI 102-2, GRI 103-2)

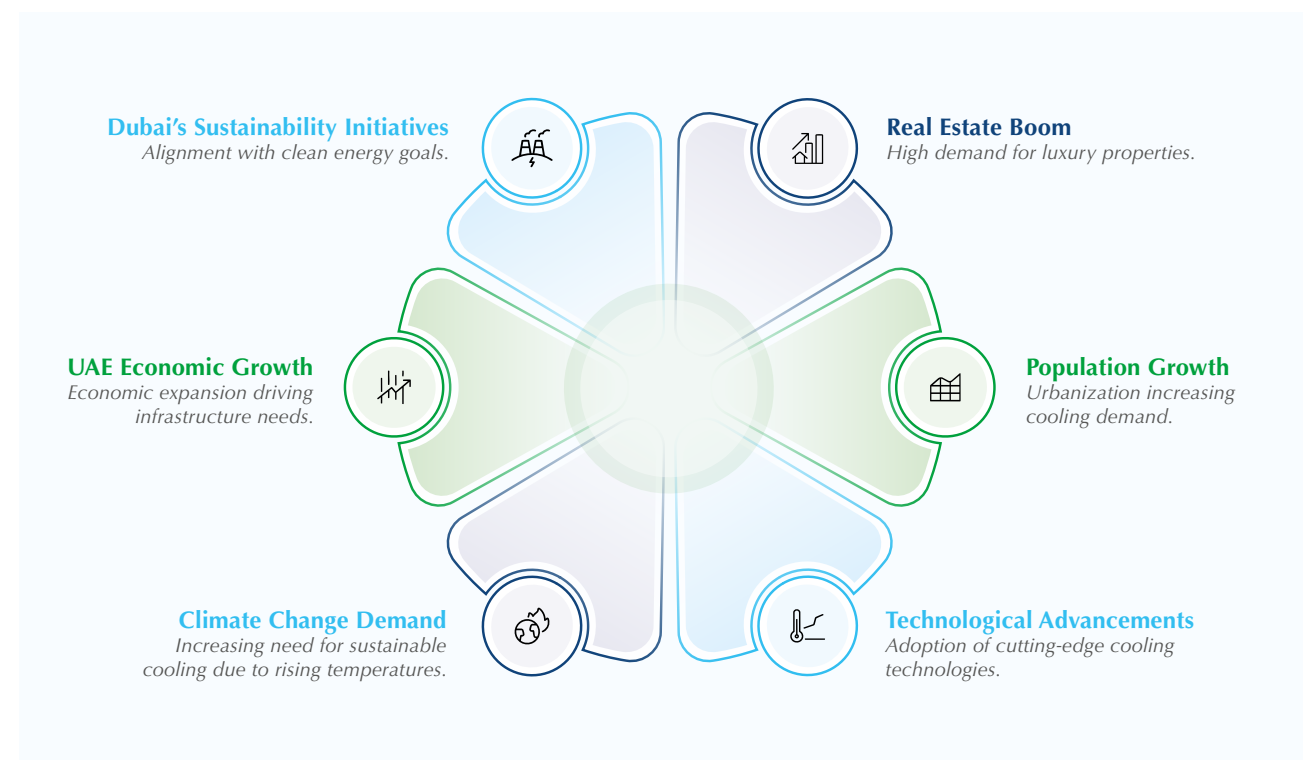
EMPOWER's market strategy is anchored in maintaining its dominant position in Dubai while exploring regional and international expansion. By the end of 2027, we aim to achieve a connected capacity of 1.86 million RT, leveraging growth in Dubai's booming real estate sector and securing long-term service contracts with key master developers.

Going forward, we adopt a two-pronged growth approach: organic growth through securing new connections in existing developments and retrofitting older buildings with energy-efficient district cooling systems, and inorganic growth through regionally, and through new concession agreements.

Furthermore, our commitment to sustainability is reflected in its adoption of advanced technologies like reverse osmosis for water efficiency and AI-driven systems for operational excellence, aligning with Dubai's Demand Side Management Strategy targeting 40% of the city's cooling demand from district cooling by 2030.

Looking beyond Dubai, EMPOWER is actively pursuing high-growth markets in the GCC including Saudi Arabia.

This strategic focus on innovation, sustainability, and regional expansion ensures EMPOWER remains at the forefront of the district cooling industry, delivering value to stakeholders while contributing to global sustainability efforts.



EMPOWER solidifies its leadership in Dubai while expanding across GCC and MENA, targeting 1.86 million RT capacity by 2027. Through organic growth via new connections and retrofitting, alongside strategic acquisitions like Nakheel and Dubai International Airport District Cooling systems, EMPOWER enhances its portfolio. Advanced technologies, including AI-driven systems and reverse osmosis, drive sustainability, aligning with Dubai's Demand Side Management Strategy.

	Growing Demand Driven by Climate Change	UAE Economic Growth and Diversification	Dubai's Sustainability Initiatives
Key opportunity	The intensifying effects of climate change are increasing the need for sustainable and energy-efficient cooling solutions. The World Meteorological Organisation (WMO) reports that 2024 is poised to be the hottest year on record. This creates a significant opportunity for district cooling providers as they offer a more efficient alternative to traditional air conditioning.	The UAE's economy is experiencing robust growth, driven by diversification efforts in both oil and non-oil sectors. According to IMF, UAE's GDP is projected to grow by 5.1% in 2025. This economic expansion, particularly in sectors like tourism, transportation, construction, and real estate, fuels the demand for cooling infrastructure.	Dubai has a strong commitment to sustainability and clean energy. The Dubai Clean Energy Strategy aims to produce 75% of its energy requirements from clean sources by 2050. Dubai's Demand Side Management Strategy 2050 aims to establish Dubai as a global benchmark for energy efficiency by doubling efficiency improvements to achieve savings of at least 30% by 2030 and 50% by 2050. These initiatives increase the demand for sustainable cooling solutions, like district cooling.
EMPOWER's response	Our core business model centres on providing energy-efficient district cooling, which uses 0.9 to 1 kW of electricity per RT compared to 1.4 to 1.8 kW for electricity, used in traditional methods. This positions us as a key player in meeting the growing cooling demand in a sustainable manner. <i>Read more in our MD&A, Page 106</i>	We have established ourselves as a key service provider in Dubai, partnering with major developments and master developers in the real estate sector. This allows us to capitalise on the growing demand for cooling in the rapidly expanding UAE economy. <i>Read more in our MD&A, Page 106</i>	Our district cooling systems are integral to Dubai's sustainability goals. The Dubai Integrated Energy Strategy 2030 targets 40% of Dubai's cooling demand to be supplied by DCS by 2030. By aligning with Dubai's green initiatives, we solidify our position as a key player in achieving the city's environmental targets. <i>Read more in Natural Capital, Page 96</i>
	Booming Real Estate Sector	Urbanization and Population Growth	Technological Advancements
Key opportunity	Dubai's real estate sector is experiencing a sustained boom, with high demand for luxury properties and increasing foreign investment. The Dubai 2040 Urban Master Plan aims to increase areas for hotels and tourism, targeting a population of 5.8 million by 2040. This growth in real estate construction further drives the need for district cooling services.	Dubai's population has grown to approximately 3.82 million in 2024, driven by an influx of foreign professionals and investors. This population growth, coupled with urbanization, is increasing demand for cooling solutions in residential and commercial buildings.	The district cooling market is constantly evolving with technological advancements. Modern systems use advanced refrigeration technologies, insulated pipe networks, AI-driven predictive maintenance, real-time monitoring, and demand response management. These innovations drive efficiency and cost-effectiveness.
EMPOWER's response	We have built strong relationships with key master developers in Dubai, securing exclusive rights to provide district cooling services. This allows EMPOWER to capitalise on the booming real estate sector and secure long-term service contracts that ensure a stable revenue stream. <i>Read more in Social & Relationship Capital, Page 88</i>	We serve over 143,000 corporate and individual customers across more than 1,637 buildings. With a large, connected capacity and a diversified client base, our Company is well-positioned to meet the rising demand for district cooling driven by population growth and urbanisation. <i>Read more in Manufactured Capital, Page 58</i>	EMPOWER is focused on using cutting-edge technologies and has invested in a state-of-the-art Command Control Centre to optimise operations. We also use IoT-enabled devices, digital twins, and demand response methods to improve energy and water efficiency and reduce peak electricity usage. <i>Read more in Intellectual Capital, Page 68</i>

EMPOWER's Strategic Vision:

Driving Growth, Sustainability, and Innovation for a Greener Future

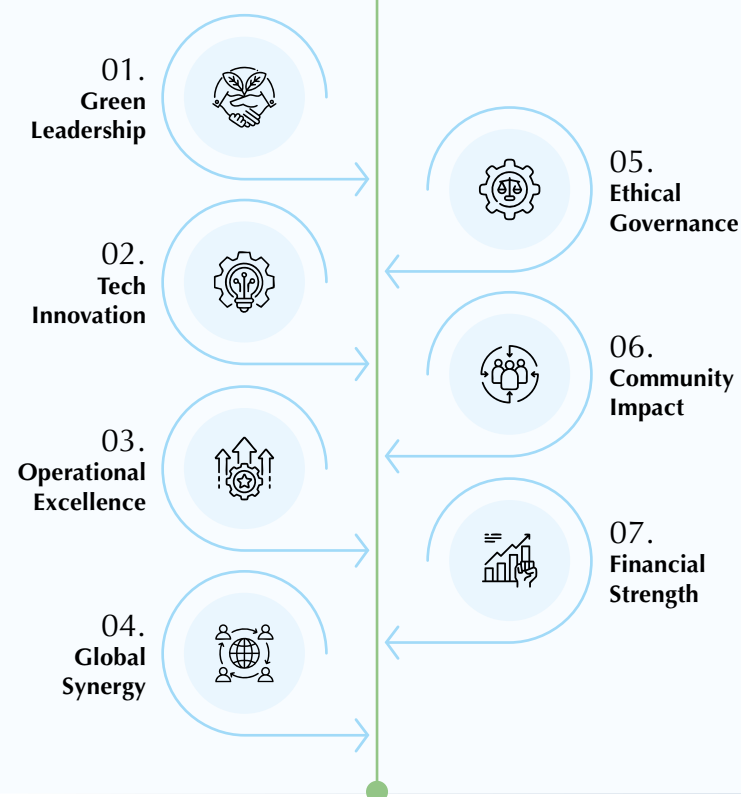
- GRI 102-13, GRI 102-16
- GRI 103-2, GRI 103-3
- GRI 201, GRI 203, GRI 205
- GRI 302, GRI 302-1, GRI 302-4, GRI 305
- GRI 404, GRI 413, GRI 416

Building on past achievements, EMPOWER's strategic pillars for FY2024 focus on sustainability, technological innovation, and operational excellence. These pillars outline how we are positioning ourselves as industry leaders, enhancing our global influence, and supporting the UAE's vision for a sustainable future through focused growth initiatives, cutting-edge technologies, and responsible governance.

Pathways to Sustainable Success



Sustainable Leadership and Growth



Building on our successes, EMPOWER's strategic pillars for FY2024 reflect our continued commitment to growth, sustainability, and innovation. Here's how we're advancing our mission:

01. Green Leadership:

EMPOWER continues to champion sustainability as a core operational principle, aligning with global climate initiatives and sustainable development goals. Our dedication to **energy efficiency, water conservation, and carbon emission reduction** remains paramount. We are actively increasing the use of efficient chillers, Thermal Storage technologies, Treated Sewage Effluent (TSE) and renewable energy, with a goal of achieving carbon neutrality in all plants by 2050, with significant milestones in the next five years. This commitment not only enhances our environmental impact but also positions us as leaders in sustainable urban cooling solutions.

02. Tech Innovation:

We are committed to be at the forefront of technological advancement in the district cooling sector. Our investments in research and development will improve further operational efficiency, enhance environmental sustainability, and refine district cooling solutions. **We are integrating AI and advanced technologies for smart monitoring and predictive maintenance**, upgrading existing plants with state-of-the-art equipment, and exploring next-generation cooling solutions. This commitment ensures we remain competitive and meet the evolving demands of a growing global market.

03. Operational Excellence:

EMPOWER is focused on achieving operational excellence through strategic expansion and increasing our connected capacity to over 1.86 million RT by 2027. We are expanding our infrastructure and service coverage, especially through agreements with major real estate developments. **Our state-of-the-art Command Control Centre (CCC) represents a quantum leap in operational efficiency**, utilising advanced algorithms, AI, and predictive analytics to monitor and optimise our cooling plants and networks in real-time. We continue to invest in schemes to enhance operational efficiency and in our workforce with training programmes to foster innovation and excellence.

04. Global Synergy:

We are actively pursuing organic growth and strategic acquisitions to expand our service coverage. We are targeting regional expansion in the GCC, including Saudi Arabia. **Our collaborations with organisations such as the United Nations Environment Programme (UNEP), the International District Energy Association (IDEA), and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)** are vital to enhancing our intellectual capital and solidifying our position in the sustainable district cooling sector.

05. Ethical Governance:

Our commitment to corporate governance and compliance is steadfast. We are strengthening our internal controls for the accuracy & reliability of financial reporting, efficiency of operations, safeguarding of assets and compliance with the laws and regulations.










06. Community Impact:






We are dedicated to enhancing customer satisfaction through improved service, digital platforms, and responsive support. We aim to increase our customer base by 20% over the next five years. **Our commitment to community engagement and Corporate Social Responsibility (CSR)** is demonstrated through financial aid, health support initiatives, social well-being activities and environmental advocacy. We are committed to positively impacting the communities in which we operate.

07. Financial Strength:

Financial Strength and Investment: We are focused on maintaining a strong financial position, ensuring sustainable profitability and growth. We aim to deliver attractive dividends to shareholders while reinvesting in growth opportunities. **We are making substantial capital investments in new projects, technology, and sustainability initiatives.**

Aligning Sustainability, Innovation, and Governance with Material Priorities

Strategic Pillars	Description	Relevant UNSDGs	Key GRI References	Key Material Issues	Business Model Elements
 01. Green Leadership	Championing sustainability and reducing environmental impact. This pillar is crucial for EMPOWER's role as a leader in sustainable urban cooling solutions and aligns with the UAE's vision for a sustainable future. Key Activities: Increasing the use of efficient chillers, Thermal Storage, Treated Sewage Effluent (TSE) and renewable energy, working towards carbon neutrality in all plants by 2050.	 	GRI 302: Energy, GRI 305: Emissions, GRI 201: Economic Performance	1: Environment: Climate Change Mitigation and Adaptation, 2: Environment: Reducing Carbon Emissions, 3: Environment: Energy Management and Renewable Energy Usage	 
 02. Tech Innovation	Driving progress with advanced cooling technologies. This pillar ensures EMPOWER remains competitive and meets the evolving demands of a growing global market by leveraging the latest innovations in cooling technology. Key Activities: Integrating AI and advanced technologies for smart monitoring and predictive maintenance, upgrading existing plants with state-of-the-art equipment, and exploring next-generation cooling solutions.		GRI 302-4: Reduction of Energy Consumption, GRI 103: Management Approach	13: Business Model & Innovation: Adapting to New Technologies	 

Strategic Pillars	Description	Relevant UNSDGs	Key GRI References	Key Material Issues	Business Model Elements
 03. Operational Excellence	Ensuring superior performance and strategic growth. This pillar is vital for maintaining EMPOWER's leading market position and providing reliable and efficient services. Key Activities: Expanding infrastructure and service coverage by developing new district cooling projects and strategic acquisitions, and operating a state-of-the-art Command Control Centre (CCC) using advanced algorithms and AI for real-time monitoring, and investing in efficiency enhancement projects and training programmes for employees.		GRI 302-1: Energy Consumption within the Organisation, GRI 404: Training and Education, GRI 203-1: Infrastructure Investments and Services Supported	12: Business Model & Innovation: Supply Chain Management, 14: Business Model & Innovation: Long-Term Management of Assets	 
 04. Global Synergy	Expanding reach through collaboration and strategic partnerships. This pillar helps EMPOWER leverage its expertise and expand into new markets, reinforcing its role as a global leader in district cooling. Key Activities: Pursuing organic growth and strategic acquisitions to expand the service coverage, and targeting regional expansion in the GCC. Also collaborating with global organisations like UNEP, IDEA, and ASHRAE.	 	GRI 102-13: Membership of Associations, GRI 203-2: Significant Indirect Economic Impacts	17: Leadership & Governance: Competitive Behaviour	 
 05. Ethical Governance	Maintaining the highest standards of integrity and compliance. This pillar ensures EMPOWER operates with the highest ethical standards, maintaining trust with stakeholders and adhering to regulatory requirements. Key Activities: Strengthening internal controls for the accuracy & reliability of financial reporting, efficiency of operations, safeguarding of assets and compliance with the laws and regulations.		GRI 102-16: Values, Principles, Standards, and Norms of Behaviour, GRI 103-2: The Management Approach and Its Components, GRI 205: Anti-Corruption	15: Leadership & Governance: Business Ethics, Integrity, Transparency, and Anti-Bribery Corruption Practices	 
 06. Community Impact	Empowering communities and fulfilling social responsibilities. This pillar is crucial for EMPOWER's commitment to social responsibility and its aim to positively impact the communities in which it operates. Key Activities: Enhancing customer satisfaction through improved service and digital platforms, increasing the customer base by 20% over the next five years, and supporting community engagement and CSR initiatives.		GRI 203-1: Infrastructure Investments and Services Supported, GRI 416: Customer Health and Safety, GRI 413: Local Communities	6: Social Capital: Community Engagement and Development	 
 07. Financial Strength	Ensuring robust financial health and strategic investment. This pillar ensures EMPOWER's long-term financial viability and its capacity to continue investing in growth and innovation. Key Activities: Maintaining a strong balance sheet with prudent debt management, delivering attractive dividends to shareholders while reinvesting in growth opportunities, and making substantial capital investments in new projects, technology, and sustainability initiatives.		GRI 201: Economic Performance, GRI 203: Indirect Economic Impacts, GRI 207: Tax	21: Economy: Financial Crisis Economic Effects, 23: Economy: Capital Values	 

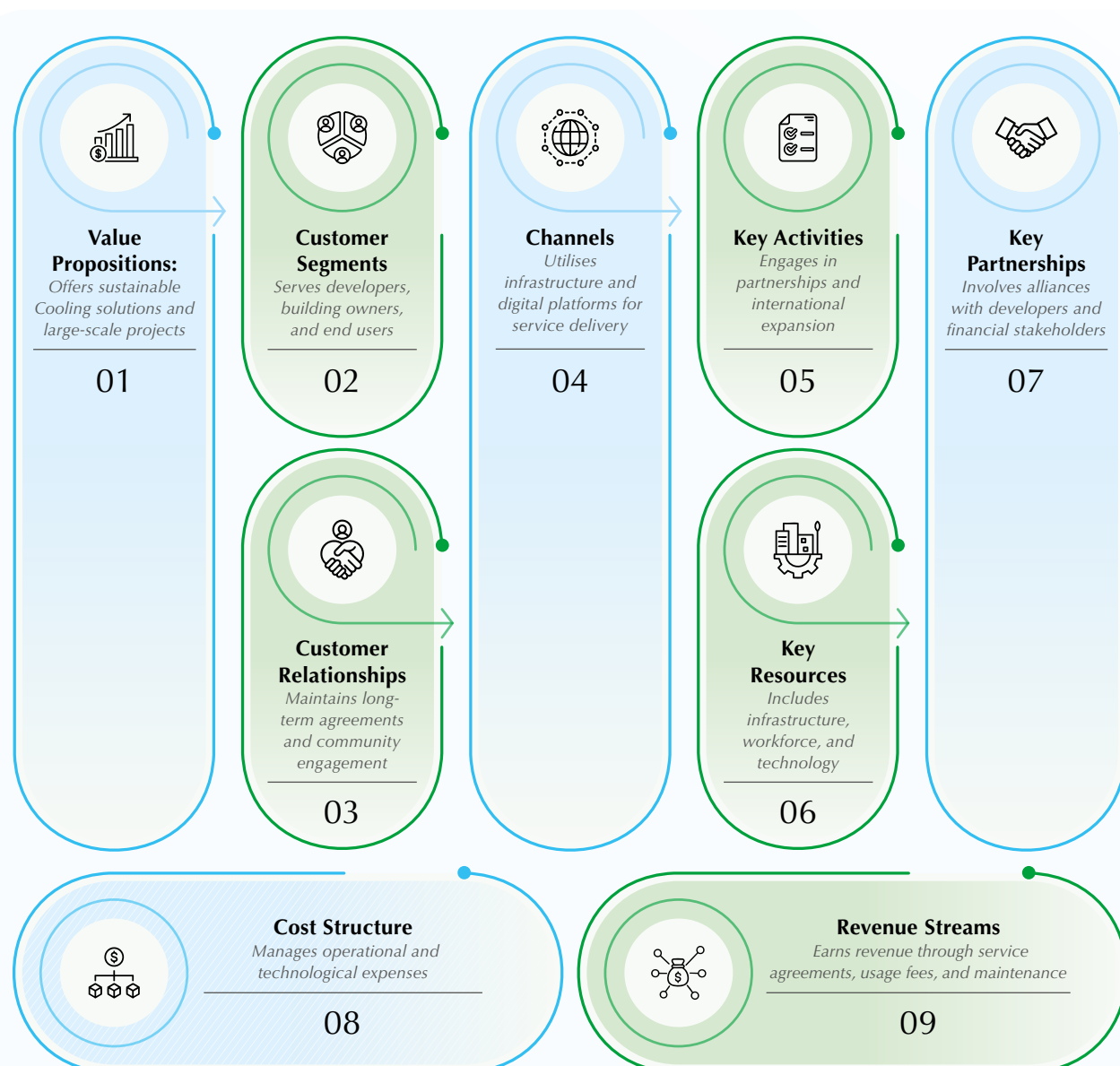
EMPOWER's Business Model:

A Framework for Sustainable Growth and Innovation

EMPOWER's business model is built on a foundation of sustainable district cooling solutions, emphasising environmental stewardship and operational excellence. This model integrates economic objectives with social and environmental responsibilities, adapting to evolving regulatory, economic, and technological landscapes. The company leverages strategic partnerships, technological innovation, and a commitment to sustainability to deliver value to its stakeholders.

GRI Alignment: The "Organisational Profile and Core Operations" section addresses GRI 2-6 by describing the company's activities, products, services, and markets to provide a basis for understanding its business model.

The "Management Approach and Strategic Objectives" section fulfils GRI 3-3 by explaining how the company manages its business model and impacts, including stakeholder expectations, and the strategic objectives that drive the model, such as sustainability. This chapter also details how the business model is designed to achieve these objectives.

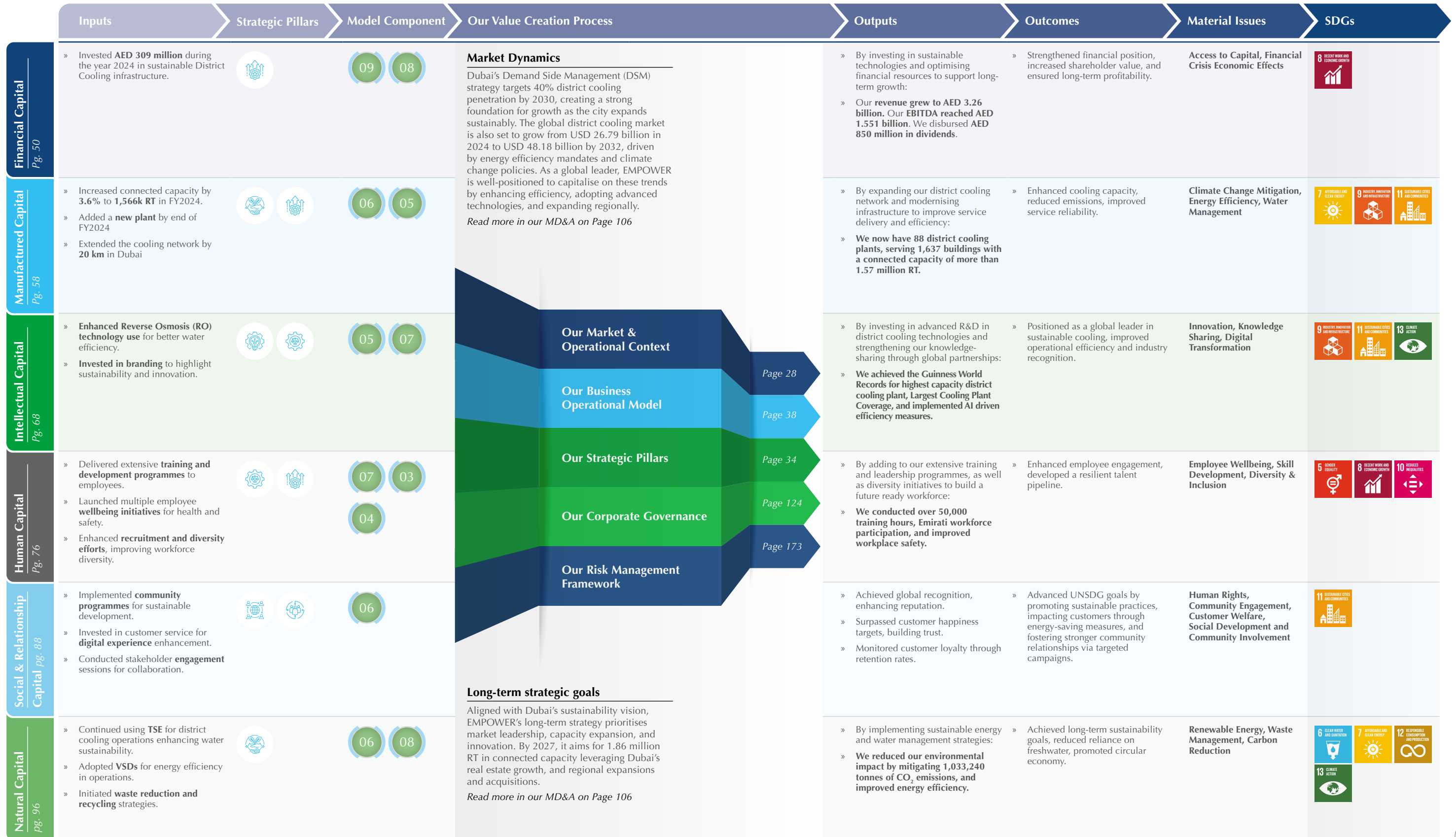


Key Components of EMPOWER's Business Model:

- 01 Value Proposition:** EMPOWER is a fully integrated end-to-end District Cooling Service (DCS) provider, covering the entire spectrum of the value chain. The company designs, builds, owns, operates, and maintains DCS plants at its own cost, delivering a comprehensive and seamless cooling solution to its clients. By offering world-class, reliable, and cost-effective district cooling services, EMPOWER enables real estate developments to optimise energy efficiency, reduce carbon footprints, and promote sustainable urban growth. Through its commitment to environmentally friendly and innovative cooling solutions, EMPOWER plays a pivotal role in enhancing urban living environments while ensuring long-term value for its stakeholders.
- 02 Customer Segments:** EMPOWER serves a diverse range of customers across multiple sectors, catering to varied applications such as airports, entertainment hubs, retail establishments, educational institutions, commercial buildings, and residential communities. By offering tailored district cooling solutions, EMPOWER effectively meets the cooling demands of large-scale urban developments, individual buildings, and specialised infrastructure projects. This extensive customer base enables EMPOWER to deliver efficient, cost-effective, and sustainable cooling services that enhance operational efficiency while promoting environmentally responsible urban growth.
- 03 Customer Relationships:** EMPOWER fosters strong and enduring relationships with its customers through long-term agreements with master developers, building owners, and direct contracts with end-users. The company is committed to delivering high-quality, reliable, and sustainable district cooling solutions while actively engaging in community initiatives and environmentally responsible practices. EMPOWER ensures seamless customer interactions through multiple touchpoints, including dedicated service centres, digital platforms, mobile applications, and a responsive customer support system. This comprehensive and customer-centric approach strengthens EMPOWER's market position, enhances customer satisfaction, and reinforces its reputation as a trusted district cooling service provider.
- 04 Channels:** EMPOWER delivers efficient and reliable district cooling services through its state-of-the-art infrastructure, which includes advanced plant rooms and an extensive underground insulated pipeline network. This robust physical infrastructure is further enhanced by cutting-edge digital and technological platforms, ensuring seamless operations management, real-time monitoring, and superior customer service. To cater to diverse client needs, EMPOWER provides both personalised assistance and automated digital solutions, ensuring a responsive, efficient, and customer-centric service experience.
- 05 Key Activities:** EMPOWER drives sustainable growth and market leadership through strategic partnerships, long-term agreements with master developers, and proactive expansion initiatives. The company is committed to developing and enhancing district cooling infrastructure, modernising existing systems, and pursuing strategic acquisitions to strengthen its industry presence. Additionally, EMPOWER is actively focused on geographical expansion across the GCC region, leveraging its expertise to deliver innovative, energy-efficient, and scalable cooling solutions.
- 06 Key Resources:** EMPOWER's key resources include an extensive network of insulated piping and cooling plants, a skilled workforce, financial resources allocated to sustainable investments, and advanced technological infrastructure. These resources are essential for operational success and leadership in the district cooling industry.
- 07 Key Partnerships:** Strategic alliances play a pivotal role in EMPOWER's growth, particularly through collaborations with master developers, which form a strong foundation for delivering district cooling services and scaling operations. The company also cultivates relationships with financial stakeholders to support its expansion and investment strategies. Additionally, EMPOWER actively explores opportunities for international growth, leveraging its expertise to extend its sustainable cooling solutions to new markets.
- 08 Cost Structure:** EMPOWER employs a modular asset strategy for phased capital expenditure, managing operational expenses such as maintenance, power, IT infrastructure, and cybersecurity. Investments in technological innovations are also a key aspect of its cost structure.
- 09 Revenue Streams:** EMPOWER generates revenue through a diversified model, including consumption-based charges, fixed demand charges, and other charges. This balanced and multi-tiered approach ensures steady cash flow, financial resilience, and long-term sustainability, enabling the company to maintain operational excellence while expanding its service offerings.

By integrating a well-defined corporate framework that includes core philosophies, strategic objectives, key performance indicators (KPIs), quality policies, and robust corporate governance, EMPOWER ensures the sustainability and resilience of its business model. This structured approach enables the company to maintain its leadership in the district cooling industry, delivering long-term value to stakeholders while addressing critical environmental challenges. EMPOWER's adaptable and forward-thinking business model not only drives operational excellence but also contributes to a more sustainable future.

How We Create Value



SECTION

03

ENGAGEMENT

● Our commitment to stakeholders

Collaboration for Lasting Impact

At EMPOWER, engagement is at the heart of our sustainability journey. We believe in fostering meaningful relationships with our stakeholders to create shared value and drive positive change. By actively listening, understanding key concerns, and integrating stakeholder insights into our decision-making, we ensure that our initiatives align with the needs of the communities we serve. Materiality assessment helps us prioritise the most pressing issues, ensuring that our strategies remain relevant and impactful. Together, we are shaping a future that is not only efficient and innovative but also inclusive and responsible.

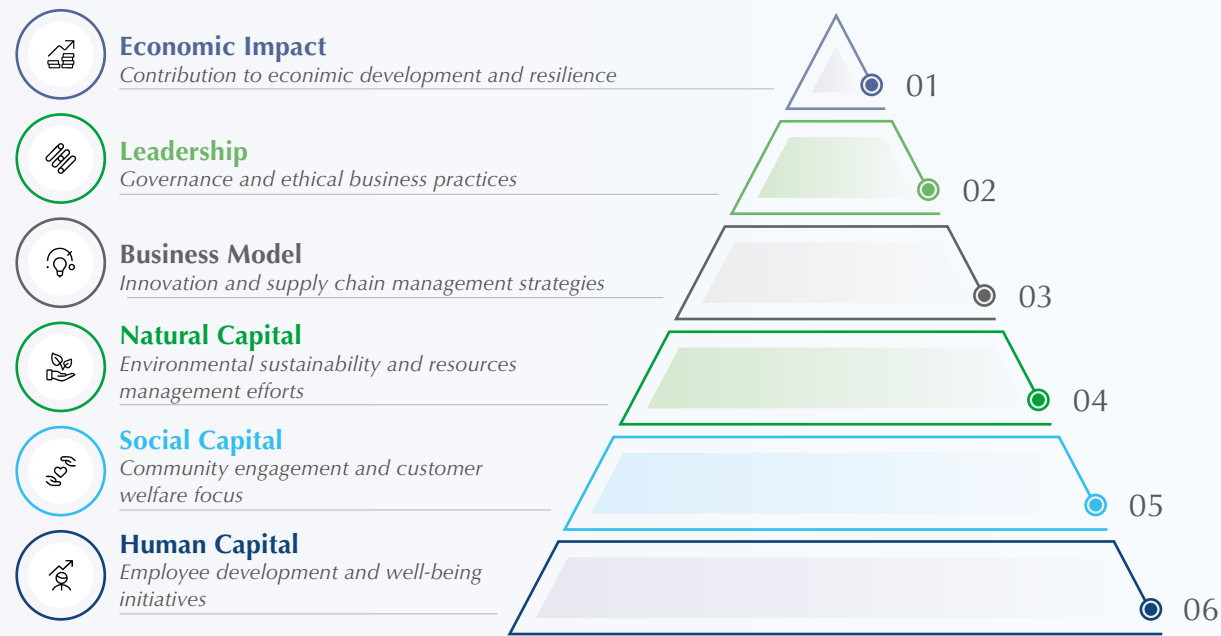
EMPOWER's Materiality Assessment 2024:

Aligning Our Strategy with Stakeholder Values for a Sustainable Future



EMPOWER is deeply committed to Environmental, Social, and Governance (ESG) principles and aims to maintain its leadership in the district cooling industry by achieving its ESG targets. Aligned with national and international sustainability goals, EMPOWER adheres to the Dubai Financial Market's (DFM) Guidelines for ESG reporting, ensuring its core business contributes to the UAE's sustainability vision, the Sustainable Development Goals (SDGs), and the DFM's Sustainability Strategy 2025.



EMPOWER's materiality assessment reinforces its commitment to integrating business objectives with stakeholder expectations, laying the groundwork for a strategy that promotes responsible, inclusive, and informed progress. By focusing on these material issues, EMPOWER aims to enhance operational efficiency, maintain market leadership, and contribute meaningfully to sustainable development while fulfilling its responsibilities to stakeholders and society at large.




EMPOWER's Material Issues and Strategic Pillars: A Framework for Sustainable Growth

This table outlines EMPOWER's key material issues and their alignment with our strategic pillars, global sustainability goals, and governance frameworks. Each issue reflects our commitment to environmental responsibility, operational excellence, financial strength, and ethical leadership. By integrating these priorities into our business strategy, we ensure long-term value creation while addressing critical challenges in the district cooling industry and beyond.

Issue #	Issue Name	EMPOWER's response to the Issue	Chapters Relevant to Issues	Strategic Pillars (see Page 34)	GRI	UNSDG
1.	Environment: Climate Change Mitigation and Adaptation	EMPOWER recognises the critical importance of climate change mitigation and adaptation in shaping its business management strategies and acknowledges the impact of its operational practices on the environment. Through strategic infrastructure enhancements, significant advancements in water management practices, and a commitment to waste reduction, EMPOWER demonstrates leadership in promoting sustainability and environmental stewardship.	Natural Capital on Page 96		GRI 305, GRI 302, GRI 201	
2.	Environment: Reducing Carbon Emissions	EMPOWER is committed to reducing carbon emissions through its district cooling services, incorporating advanced technologies to improve efficiency, thus minimising energy consumption and greenhouse gas emissions. These initiatives ensure compliance with environmental regulations, reinforcing EMPOWER's dedication to environmental responsibility and sustainable business practices.	Natural Capital on Page 96		GRI 305	
3.	Environment: Energy Management and Renewable Energy Usage	EMPOWER emphasises the importance of energy management and renewable energy usage in its operations, aiming to achieve energy conservation and reduce environmental impacts. The adoption of innovative technologies like Thermal Energy Storage, which reduces load on the state power grid during peak hours, and operational improvements highlight EMPOWER's efforts to reducing energy wastage and supporting broader energy initiatives.	Natural Capital on Page 96		GRI 302, GRI 303	
4.	Environment: Water Management	Recognising the significance of water management, EMPOWER employs innovative water management strategies, including the use of treated sewage effluent (TSE) in district cooling operations. These practices not only demonstrate EMPOWER's commitment to sustainable water use but also contribute to water sustainability in the region.	Natural Capital on Page 96		GRI 303	
5.	Social Capital: Human Rights	EMPOWER acknowledges the significant issue of human rights as a fundamental norm in managing its business operations. It is committed to upholding and promoting dignity, fairness, equality, inclusiveness, respect, and independence, aligning with international human rights standards. EMPOWER actively implements policies and practices to ensure these rights are respected in all aspects of its operations, reflecting its dedication to ethical business conduct and social responsibility.	Social Capital on Page 88		GRI 406, GRI 408, GRI 409, GRI 412	
6.	Social Capital: Community Engagement and Development	EMPOWER's community engagement programmes significantly contribute to local communities' well-being and raise awareness about sustainability. EMPOWER views social development and community involvement as integral to the business. The company's social awareness campaigns, operations and engagement strategies significantly contribute to social development and community well-being.	Social Capital on Page 88		GRI 413	

Issue #	Issue Name	EMPOWER's response the Issue	Chapters Relevant to Issues	Strategic Pillars (see Page 34)	GRI	UNSDG
7	Social Capital: Customer Wellbeing	Customer wellbeing is a critical aspect of EMPOWER's business operations. The Company's activities and policies are designed to ensure the welfare of its customers by providing safe, efficient, and environmentally sustainable cooling solutions. EMPOWER's commitment to customer satisfaction and wellbeing drives continuous improvement in service quality and operational efficiency.	Social Capital on Page 88		GRI 416, GRI 417	
8	Human Capital: Employee Skill Development and Welfare	EMPOWER's initiatives for employee skill development and welfare are highly effective, especially in the rapidly evolving energy sector. Through comprehensive training programmes and a focus on career progression, EMPOWER enhances employee productivity and fosters innovation, ensuring that its workforce remains agile and capable of navigating industry changes.	Human Capital on Page 76		GRI 404	
9	Human Capital: Employee Health and Safety	Employee health and safety are of paramount importance to EMPOWER. The Company's rigorous health, safety, and environment (HSE) policies, including extensive training and risk management assessments, significantly contribute to safeguarding employee well-being, demonstrating EMPOWER's commitment to creating a safe and productive work environment.	Human Capital on Page 76		GRI 403	
10	Human Capital: Employee Engagement, Diversity, and Inclusion	Employee engagement, diversity, and inclusion are crucial for the management of EMPOWER's operations. The Company's efforts to cultivate a diverse and inclusive work culture have positively influenced its organisational effectiveness, enhancing innovation, employee satisfaction, and competitive success.	Human Capital on Page 76		GRI 405, GRI 406	 
11	Business Model & Innovation: Access to Capital	Access to capital is crucial for EMPOWER and its customers, influencing the Company's ability to invest in infrastructure and technology. EMPOWER's financial strategy, including partnerships and efficient capital management, enhances its access to capital, supporting sustainable growth and innovation.	Business Operational Model on Page 38		GRI 201, GRI 203	
12	Business Model & Innovation: Supply Chain Management	Effective supply chain management is essential for EMPOWER's operational success, efficiency, and sustainability. The Company's strategic approach to supply chain management optimises costs, enhances service quality, and supports sustainable practices.	Business Operational Model on Page 38		GRI 308, GRI 414	 
13	Business Model & Innovation: Adapting to New Technologies	EMPOWER's business model highlights adaptation to new technologies and market trends, contributing significantly to improvisation of its operational efficiency and market leadership. This adaptability fosters innovation and ensures business sustainability.	Business Operational Model on Page 38 and Manufactured Capital on Page 58		GRI 302, GRI 306	
14	Business Model & Innovation: Long-Term Management of Assets	The long-term management of assets is critical for EMPOWER's operational excellence, financial stability, and service quality. The strategic asset management enables reliability and efficiency of services, supporting the Company's sustainability goals.	Business Operational Model on Page 38		GRI 301, GRI 306	

Issue #	Issue Name	EMPOWER's response the Issue	Chapters Relevant to Issues	Strategic Pillars (see Page 34)	GRI	UNSDG
15	Leadership & Governance: Business Ethics, Integrity, Transparency, and Anti-Bribery Corruption Practices	The Company's rigorous governance framework ensures accountability, fairness, and adherence to ethical standards.	Corporate Governance Report on Page 124		GRI 205, GRI 206	
16	Leadership & Governance: Renewable Energy	Renewable energy is considered a material issue in managing EMPOWER's business, reflecting the Company's commitment to environmental sustainability and operational efficiency. EMPOWER's strategic initiatives in integrating renewable energy sources underscore its role in promoting sustainable urban environments.	Natural Capital on Page 96		GRI 302	
17	Leadership & Governance: Competitive Behaviour	EMPOWER's market positioning and business management, enabling the Company to navigate the dynamic district cooling industry effectively. EMPOWER's strategic approaches to competition foster healthy practices and increases brand image.	Corporate Governance Report on Page 124		GRI 201, GRI 206, GRI 307	 
18	Leadership & Governance: Risk Management	Risk management is a critical component of EMPOWER's business operations, crucial for managing uncertainties and enhancing the Company's resilience. The Company's comprehensive risk management framework and ERM strategies addresses potential opportunities and threats, ensuring sustained success.	Corporate Governance Report on Page 124		GRI 102, GRI 205	
19	Leadership & Governance: Responsible Investment	Responsible investment, incorporating ESG factors into investment decisions, is a material issue for EMPOWER. The Company's approach to investment reflects its commitment to sustainability, risk management, and ethical governance.	Corporate Governance Report on Page 124		GRI 203	
20	Leadership & Governance: Reputation, Communications, and Awareness	Reputation, communications, and awareness are crucial for EMPOWER, affecting the Company's relations, effective stakeholder management and communication strategies and reputation management policies are integral to maintaining the Company's image and strong stakeholder engagement.	Corporate Governance Report on Page 124		GRI 417, GRI 418	 
21	Economy: Financial Crisis Economic Effects	Economic and financial crises highlight concerns for EMPOWER, signifying the importance of resilience and strategic planning in navigating challenging periods. The Company's Business Continuity Strategies and focused actions on sustainability support its ability to withstand economic fluctuations.	Market & Operational Context on Page 28		GRI 201, GRI 203	
22	Economy: Contribution to the Economic Development	EMPOWER's contribution to Dubai's economic development through district cooling services is significant, enhancing the Company's financial stability and growth prospects. The Company's operations support Dubai's development goals and contribute to the broader economic context.	Market & Operational Context on Page 28		GRI 203	 
23	Economy: Capital Values	Capital values, encompassing various forms of capital, are material to EMPOWER's business management. The Company recognises the importance of managing and valuing different types of capital to design effective management systems and support sustainable growth.	Financial Capital on Page 50		GRI 201	

SECTION

04

CAPITALS

Our capitals

Building Value Across Every Dimension

At EMPOWER, we recognise that value is created through a balanced and integrated approach across multiple forms of capital. From financial strength and technological innovation to human expertise and environmental responsibility, our ability to generate long-term impact is rooted in these interconnected resources. By investing in each capital—whether through sustainable infrastructure, workforce development, or responsible partnerships—we ensure resilience, growth, and shared prosperity. Our journey is not just about delivering cooling services; it's about sustaining economic progress, fostering social well-being, and contributing to a greener, more resource-efficient world.

Financial Capital

Strengthening Growth and Sustainability

UNSDG:



Strategic Pillars:



Business Model Elements:



Material Issue Surveyed

1, 2, 3, 4, 5, 11, 16, 23

GRI

3-3, 102-2, 103, 201-1, 201-2, 203, 203-1, 203-2



418+

District Cooling Pipeline Network (kms)
by FY2024

Financial capital is the foundation of EMPOWER's operational excellence and strategic expansion, ensuring long-term sustainability, profitability, and value creation for shareholders. Effective stewardship of these resources is guided by transparent financial reporting, ethical investment strategies, and robust risk management, reinforcing financial resilience while supporting broader sustainability goals.

Beyond delivering financial returns, EMPOWER recognises the critical role of responsible capital management in addressing global challenges such as climate change. By integrating climate considerations into its financial strategy, the company aligns with the Paris Agreement and SDG 13: Climate Action, ensuring that financial growth is balanced with environmental responsibility and long-term business expansion. Investments in energy-efficient projects, renewable energy adoption, and emissions reduction technologies demonstrate this commitment, while structured risk management strategies safeguard financial stability against climate-related risks.

EMPOWER's integrity-driven financial strategy is built on clear, transparent reporting and ESG-aligned investment decisions. Ethical capital allocation ensures that financial resources contribute to both economic growth and sustainable development, while robust risk management systems enable the company to navigate financial uncertainties with confidence.

By embedding sustainability and climate action into its financial framework, EMPOWER is building a financially strong, environmentally responsible, and future-focused organisation—one that not only delivers long-term shareholder value but also contributes to a more sustainable world.

Financial Performance Overview

Financial Performance Overview	FY2024 (AED million)	FY2023 (AED million)	Change (%)
Revenue	3,260	3,035	+7.4%
EBITDA	1,551	1,461	+6.2%
Profit before tax	998	942	+5.9%
Net Profit	908	960	-5.4%
Dividend Payment	850	850	-
Connected Buildings	1,637	1,552	+5.5%
District Cooling Pipeline Network (kms)	418	398	+5.0%

Revenue Growth

EMPOWER's growth in FY2024 was fuelled by a combination of strategic initiatives and favourable market conditions. As Dubai's economy expanded and real estate occupancy rates remained high, the demand for sustainable district cooling solutions surged. This growing market, coupled with EMPOWER's commitment to eco-friendly innovations, reinforced its position as the dominant player, holding over 80% of Dubai's district cooling market share.

The company's financial performance reflected this momentum, with revenue rising to AED 3.26 billion, a 7.4% year-over-year increase from AED 3.035 billion in FY2023. EMPOWER also pursued steady market expansion, increasing its contracted capacity to 1.76 million refrigeration tons (RT)—a 6.1% growth from 2023. By signing 120 new agreements, the company strengthened its presence across key sectors.

EMPOWER's service footprint continued to grow, now connecting 1,637 buildings—a 5.5% increase from the previous year—while its customer base surpassed 143,000. This expanding network, combined with recurring revenue streams, ensured financial stability and consistent performance.

By aligning with Dubai's economic trajectory and prioritising sustainability, EMPOWER reinforced its leadership in district cooling, setting the stage for continued success and innovation.

Net Profit Performance in FY2024

In FY2024, EMPOWER recorded a net profit of AED 908 million, reflecting a 5.4% decline from AED 960 million in FY2023. This decrease occurred despite growth in revenue, EBITDA, and profit before tax, primarily due to new tax liabilities and increased finance costs. A key factor influencing this decline was the introduction of income tax. Unlike FY2023, where no income tax was applied, EMPOWER became subject to a 9% corporate tax on profits starting January 1, 2024. This resulted in a current tax liability of AED 90.097 million, directly impacting net profit. Additionally, higher finance costs contributed to the reduction in profit. Finance costs charged to P&L increased from AED 220.8 million to AED 248.1 million, with actual pay-out to bank on account of interest cost on bank borrowings increased from AED 264.7 million to AED 299.0 million.

Reflecting these changes, basic and diluted earnings per share (EPS) declined from 0.095 to 0.090. Despite these factors, EMPOWER's strong revenue growth and market leadership position continues to reinforce its long-term financial resilience.

EBITDA Expansion

In FY2024, EMPOWER demonstrated robust financial health, with EBITDA reaching AED 1.551 billion, a 6.2% increase from AED 1.461 billion in FY2023. This improvement was underpinned by several strategic and economic factors. Firstly, the economic expansion in Dubai fuelled a higher demand for district cooling services. Secondly, the increasing adoption of eco-friendly practices among real estate developers and building owners drove the need for sustainable cooling solutions, further boosting EMPOWER's market. Operationally, the company benefited from recurring and sustainable revenues, coupled with enhanced efficiencies. Moreover, EMPOWER's proactive market penetration and strategic expansions played a vital role in enhancing its financial performance. These combined elements underscore EMPOWER's strong market position and effective financial strategies, solidifying its role as a key player in Dubai's sustainable infrastructure.

AED 1.551 bn

EBITDA reaching AED 1.551 billion, a 6.2% increase from AED 1.461 billion in FY2023.



AED 3.26 bn

Revenue achieved for FY2024

7.4%

Year-over-year (YoY) growth in Revenue, from AED 3.03 bn in FY2023

AED 1,824.4 mn

Net cash generated from operating activities in FY2024, a 31% increase from AED 1,391.6 million in FY2023, reflecting stronger cash flow generation and operational efficiency.

14.3%

In FY2024, ROCE was 14.3%, reflecting the impact of new investments and financial adjustments while maintaining a solid return on capital.

3.98

Interest Coverage Ratio, of 3.98 in FY2024, reflecting an improved ability to cover interest expenses and a stronger financial position.

Free Cash Flow Position

EMPOWER's free cash flow position strengthened in FY2024, driven by higher cash generation from operations and the absence of major acquisition-related outflows. Net cash generated from operating activities increased significantly, rising from AED 1,391.6 million in 2023 to AED 1,824.4 million in 2024. This growth reflects enhanced operational efficiency and stronger cash flow generation, providing greater financial flexibility to support expansion and infrastructure investments.

Unlike 2023, when EMPOWER incurred a significant cash outflow of AED 892.5 million for the acquisition of DXB CoolCo FZCO, no similar acquisitions took place in 2024. This shift contributed to a stronger free cash flow position, allowing the company to focus on organic growth. Capital expenditures marginally declined from AED 320.1 million in 2023 to AED 306.8 million in 2024, while fostering EMPOWER's continued investment strategy in expanding and upgrading its infrastructure to meet growing demand.

In terms of financing activities, EMPOWER secured AED 4,749.4 million in bank borrowings while repaying AED 3,750.0 million, reflecting a balanced approach to funding growth while managing debt obligations. This prudent financial strategy, coupled with robust cash flow from operations, has further strengthened the company's overall liquidity and financial resilience.

With higher operating cash flows and reduced acquisition-related expenditures, EMPOWER ended FY2024 with a stronger free cash flow profile, reinforcing its ability to reinvest in strategic growth initiatives while maintaining financial stability.

ROCE

EMPOWER's Return on Capital Employed (ROCE) reflects its ability to efficiently utilise both debt and equity to generate profits. A higher ROCE indicates stronger capital efficiency and profitability. EMPOWER's ROCE stood at 14.3%, for FY2024 demonstrating effective capital deployment while maintaining a solid return on capital. This metric underscores EMPOWER's commitment to strategic capital allocation and long-term value creation.

Financial Stability and Debt Management in FY2024

EMPOWER maintained a strong financial position in FY2024, with improved debt management and financial stability. The company's ability to effectively manage its capital structure, service its debt obligations, and optimise leverage ratios underscores its commitment to sustainable growth and operational resilience.

One of the key indicators of financial stability is the Interest Coverage Ratio, which measures EMPOWER's ability to meet interest obligations using its operating earnings. A higher ratio indicates a stronger financial position and lower risk of default. In FY2024, the Interest Coverage Ratio was 3.98, demonstrating a healthy buffer against



interest expenses. Based on an EBIT of AED 1,192.4 million and interest expenses of AED 299.0 million, Empower's ability to cover interest costs underscores its strong financial standing. Additionally, the Debt-to-Equity Ratio stood at 1.63 by the end of FY2024—calculated using total debt outstanding of AED 5,498.4 million and total equity of AED 3,373.3 million—highlighting disciplined financial management and the strategic use of debt to fund growth initiatives while maintaining a balanced capital structure.

Overall, EMPOWER's financial performance in FY2024 reflects a well-balanced approach to debt management, enhanced profitability, and sustainable capital allocation. With an improving Interest Coverage Ratio, a strategic increase in Debt-to-Equity, and stable Net Debt-to-Equity levels, the company continues to maintain a strong financial foundation for long-term success.

1.63

Debt-to-Equity Ratio, at 1.63 in FY2024

AED **18.2** bn

Market Capitalisation at year-end FY2024, up 9% from AED 16.6 billion at the start of the year.

AED **0.090**

FY2024 Earnings Per Share (EPS)

AED **850** mn

Total cash dividends distributed in 2024, paid in two equal instalments, reinforcing commitment to shareholder returns.

Capital Structure, Shareholder Returns, and Investor Engagement

EMPOWER remains committed to maintaining a balanced capital structure that supports long-term growth while maximising shareholder value. As of December 31, 2024, the company's authorised, issued, and fully paid-up share capital remained stable at AED 1,000 million, reinforcing investor confidence and providing a strong foundation for future expansion.

A key pillar of EMPOWER's financial strategy is its consistent dividend policy, reflecting strong financial health and operational efficiency. In FY2024, the company distributed AED 850 million in dividends, resulting in a dividend payout ratio of 91%. With a net profit after tax of AED 908 million, this demonstrates EMPOWER's commitment to delivering shareholder returns while maintaining financial resilience. Additionally, Earnings Per Share (EPS) stood at AED 0.090, showcasing solid earnings performance relative to share price and offering investors valuable insight into the company's profitability and long-term value generation.

Beyond financial returns, investor engagement remains a top priority for EMPOWER. The company fosters transparency, trust, and long-term value creation through interactive sessions and enhanced disclosures on financial performance, sustainability initiatives, and governance practices. Key sustainability efforts are prominently featured on EMPOWER's website, reinforcing its commitment to responsible governance and environmental stewardship.

Reflecting its solid financial performance and strategic growth, EMPOWER's market capitalisation grew from AED 16.6 billion at the start of FY2024 to AED 18.2 billion by year-end, marking a 9.6% increase. This sustained upward trajectory underscores investor confidence and the company's continued market leadership.

Strategic Investments and Future Initiatives – FY2024

EMPOWER remains aligned with the UAE's economic diversification, leveraging growth in tourism, trade, real estate, and infrastructure to expand its market presence. With a target of maintaining over 80% of Dubai's district cooling market share, the company continues to drive organic and inorganic growth, securing new connections and retrofitting older buildings.

The company's capacity expansion plan aims to increase connected refrigeration tons (RT) to 1.86 million by 2027, achieved through new agreements with real estate developers, infrastructure expansion, and building conversions to district cooling. To support its long-term strategy, EMPOWER remains committed to financial stability, ensuring sustainable profitability, and delivering attractive shareholder returns.

Strategic acquisitions have played a key role in EMPOWER's growth, including Palm District Cooling (2013), Meydan (2020), Nakheel (2021) and Dubai Airport (2023). Looking ahead, the company seeks to expand beyond Dubai and the UAE, targeting GCC, including Saudi Arabia.



A cornerstone of EMPOWER's success is its long-term service agreements, ensuring stable and recurring revenue streams. This is reinforced by ongoing investments in technology and innovation, with a focus on AI-driven energy management, predictive maintenance, and smart automation to optimise efficiency and reduce operational costs.

Sustainability remains a core operational principle, with a goal of carbon neutrality by 2050. The company is increasing its reliance on renewable energy and treated sewage effluent (TSE), and actively aligning with the UAE Net Zero by 2050 Vision.

EMPOWER's global presence and collaboration efforts include partnerships with the United Nations Environment Programme (UNEP), the International District Energy Association (IDEA), and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). Additionally, the company is supporting research on next-generation district cooling systems, focusing on AI integration, smart automation, and advanced thermal storage technologies.

These strategic initiatives reinforce EMPOWER's leadership in district cooling, driving sustainable growth, technological innovation, and regional expansion, while ensuring long-term value creation for stakeholders.

Capital Expenditures (CAPEX) in FY2024

EMPOWER's total CAPEX for FY2024 stood at AED 306.8 million, reflecting strategic investments in infrastructure expansion, sustainability, and operational enhancements, supporting network

growth and system upgrades. Investments in chilled water infrastructure and pre-insulated pipe networks further reinforced EMPOWER's operational efficiency.

Sustainability remains a key focus, with an estimated AED 100 million investment in FY2025 towards energy-efficient and eco-friendly initiatives. Additionally, the segment assets for chilled water stood at AED 11.1 billion, while pre-insulated pipe assets totalled AED 87 million.

Depreciation and amortization expenses reached AED 359.1 million, including AED 342.3 million related to property, plant, and equipment. Meanwhile, utilities costs totalled AED 1.45 billion, reflecting ongoing operational expenditures. As of December 31, 2024, EMPOWER had project commitments of AED 726.8 million, underscoring its continued investment in infrastructure development to support future growth.



Manufactured Capital

Engineering Excellence: Building the Future of District Cooling

UNSDG:



Strategic Pillars:



Business Model Elements:



Material Issue Surveyed

1, 2, 3, 4, 5, 26

GRI

303, 305, 306, 308

EMPOWER is committed to sustainability and reducing environmental impact, aligning its operations with the UAE's vision for a sustainable future. The company actively progressing toward its ambitious goal of achieving carbon neutrality across all plants by 2050. Sustainability is embedded in EMPOWER's core strategy, ensuring alignment with global climate initiatives and sustainable development efforts.

88

District Cooling Plants: By the end of 2024, EMPOWER operated 88 district cooling plants.

1,637

Buildings Served: The total number of buildings served by EMPOWER reached 1,637 in 2024.

~143,000

Customers Served: EMPOWER's customer base reached 143,272 in 2024.

Operational Excellence and Scalability

Manufactured Capital is the foundation of EMPOWER's operations, encompassing the physical assets and infrastructure that enable the efficient and reliable delivery of district cooling services. Effective asset management is not only critical for operational efficiency but also a key driver of service reliability and long-term value creation for stakeholders. Recognising the growing demand for sustainable cooling solutions, EMPOWER continues to scale its infrastructure while maintaining the highest efficiency standards.

EMPOWER's commitment to sustainability and best practices extends to the responsible management of its infrastructure and assets. The company adheres to international benchmarks, ensuring its operations meet the highest standards of efficiency, reliability, and sustainability. By integrating sustainability into its asset management strategy, EMPOWER aims to reduce its environmental footprint while optimising value for its customers and the broader community.

EMPOWER District Cooling Plant Recognitions

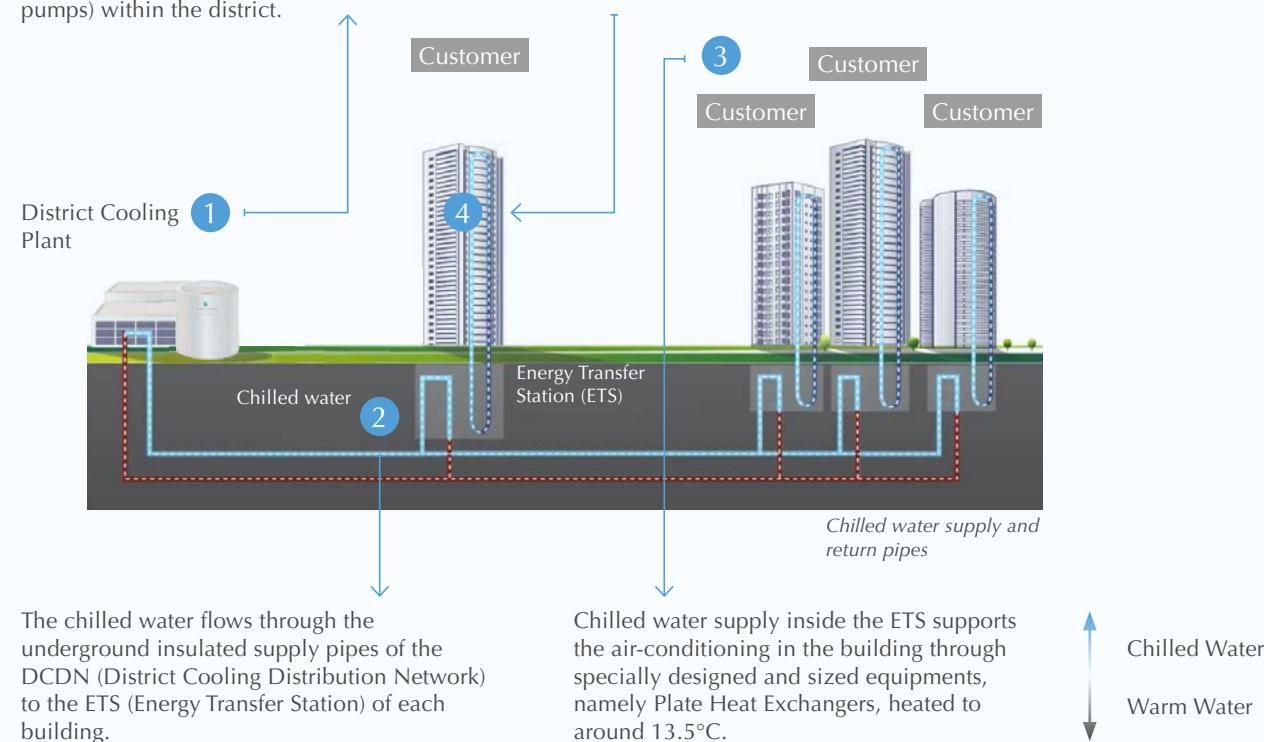
District Cooling Plant	Recognitions
Business Bay District Cooling Project	Guinness World Record for the highest capacity district cooling plant (DCS); Guinness World Record for the largest cooling plant coverage (number of buildings)
LEED Gold-Certified Plants	EMPOWER has achieved LEED Gold certification for six district cooling plants: Business Bay 05, Za'abeel, Barsha Heights, Jumeirah Village Circle, and Business Bay 02 & 03, awarded by the U.S. Green Building Council (USGBC).

The Role of District Cooling in Sustainable Urban Development

District cooling is an advanced, energy-efficient solution for space cooling within a designated area, offering a superior alternative to conventional air conditioning systems. At the core of this system is the District Cooling Plant (DCP), where water is cooled to approximately 4.5°C using high-efficiency chillers, cooling towers, and pumps. The chilled water is then distributed through underground insulated supply pipelines to the Energy Transfer Station (ETS) of each building, ensuring seamless and efficient cooling across the district.

The DCP (District Cooling Plant) generates and supplies bulk quantities of water at around 4.5 + 1°C known as “chilled water supply” using state of the art and very efficient equipments (water cooled chillers, cooling towers and pumps) within the district.

The chilled water return flows through the underground-insulated return line of the DCDN back to the DCP and the system continues to flow based on customer demand.



As cities expand and energy demand rises, district cooling emerges as a key solution for reducing electricity consumption, cutting carbon emissions, and enhancing urban resilience.

District cooling provides substantial advantages over traditional cooling systems, delivering:

- » **Efficient Large-Scale Cooling:** By centralising chilled water production, district cooling achieves economies of scale and significantly outperforms individual air conditioning units in efficiency and cost-effectiveness.
- » **Energy Conservation:** EMPOWER’s district cooling systems reduce electricity consumption for cooling by up to 50%, leveraging collective energy management to optimise utilisation and minimise waste.

Beyond operational efficiency, district cooling plays a critical role in combating climate change and promoting sustainability. As one of the most effective solutions for enhancing energy efficiency, district cooling systems actively contribute to reducing greenhouse gas emissions, conserving environmental resources, and supporting global climate

goals. EMPOWER remains at the forefront of this transition, reinforcing its leadership in the global district cooling industry and driving the shift toward sustainable urban cooling solutions.

Aligned with the UAE’s strategic initiative to achieve net-zero emissions by 2050 and various strategies of Dubai government for energy efficiency, EMPOWER continues to advance innovative district cooling technologies, fostering a sustainable, greener future while reinforcing its commitment to environmental stewardship.

Asset Base and Infrastructure

EMPOWER operates a network of state-of-the-art district cooling plants strategically located to serve key areas. Each plant is designed to maximise efficiency and minimise environmental impact, utilising advanced technologies to meet the cooling demands of diverse customer segments. Proximity to our demand side customers is a key attribute of our cooling plants. Some of EMPOWER’s key existing district cooling plants, operating during FY2024 (excluding plants under development or newly added during FY2024):

 Business Bay Guinness World Record and LEED Gold Plants.	 Dubai Airport Sole district cooling provider with 110,000 RT.	 Jumeirah Village Cooling for 114 buildings with 49,000 RT.
 DLRC 47,000 RT cooling capacity.	 DHCC Cooling the healthcare hub of Dubai.	 Za'abeel LEED Gold-certified cooling plant with 50,000 RT.
 Palm Jumeirah Includes 3 plants on the trunk and 4 on Crescent.	 DIFC Serving Financial District of Dubai with 90,000 RT.	 JBR Cooling for 76 towers.
 Al Barsha Heights LEED Gold-certified plant.	 Discovery Gardens Serving more than 200 buildings with 89,000 RT.	 JBH Plant Newly opened cooling facility with 48,000 RT.

1.57 Million RT

Total Connected Capacity in FY2024 reached 1.57 million RT, reflecting an expansion with around 55k RT added.

1.76 Million RT

Contracted Capacity in FY2024, demonstrating strong market demand and future revenue growth, up from 1.66 million RT in FY2023.

1.86 Million RT

Projected Connected Capacity by FY2027, underscoring EMPOWER’s long-term growth strategy through infrastructure expansion and new project acquisitions.

Key Upgradation and Modernisation in FY2024

In FY2024, EMPOWER undertook several modernisation and upgrade projects to enhance its infrastructure and improve operational efficiency:

BB2 and Al Barari Development District Cooling Plants: Chiller systems at these key facilities were upgraded with Variable Speed Drives (VSDs). This retrofit project led to a significant reduction in energy consumption in the upgraded plants and contributed to a notable reduction of CO₂ annually.

EMPOWER also continues to invest in AI-driven solutions, machine learning tools, and advanced metering infrastructure to optimise operations.

New plants completed, or with significant progress during FY2024:



Jumeriah Beach Hills

New district cooling plant with phased capacity expansion.



Deira Waterfront

New plant is under construction to serve multiple buildings with phased capacity.



Jumeriah Village

Expansion plan for multiple distinct cooling plants underway.

Business Bay

EMPOWER's Business Bay District Cooling Project in Dubai holds the Guinness World Records for the highest capacity district cooling plant and the largest cooling plant coverage in terms of the number of buildings served. The project serves 188 multi-use buildings across Business Bay, Sheikh Zayed Road, and the Dubai Water Canal through four district cooling plants. With a total connected capacity of 241,272 RT, the system is set to scale up to 451,540 RT. Additionally, Business Bay 5 district cooling plant recently received LEED Gold Certification, following Business Bay 2 & 3.



Jumeriah Beach Hills (JBH)

In 2024, EMPOWER commenced operations of the first phase of its Jumeriah Beach Hills (JBH) District Cooling Plant. Upon completion of all phases, the plant's total production capacity will reach 48,000 RT, catering to the prestigious Jumeriah area, one of Dubai's premier residential and tourist destinations.



Deira Waterfront

EMPOWER is constructing a new district cooling plant in Dubai's Deira Waterfront district, set to serve more than 46 buildings. The plant will have a total production capacity of 39,000 RT, with the first phase (20,000 RT) expected to be operational by the end of June 2025. Construction commenced in 2024 following the award of the main construction contract.



Jumeriah Village

EMPOWER has awarded the design contract for its second district cooling plant in Jumeriah Village, with a planned capacity of 37,000 RT. This plant is part of a broader expansion strategy, which includes the development of six district cooling plants with a combined cooling capacity of 256,000 RT. Construction is set to begin in the first quarter of 2025. The first Jumeriah Village plant, with a capacity of 49,000 RT, currently supplies cooling to approximately 114 buildings.

Strategic investments in modernisation, including Variable Speed Drives (VSDs) and AI-driven solutions, have led to significant energy savings and emissions reductions.

EMPOWER's Commitment to Sustainable Cooling

EMPOWER remains dedicated to environmental stewardship, operational efficiency, and the transformation of urban cooling systems globally through energy-efficient technologies.

To advance this mission, EMPOWER has signed an agreement with Mitsubishi Heavy Industries Thermal Systems (MHI Thermal Systems) to procure advanced chillers. Starting in 2025, MHI Thermal Systems will supply 18 high-efficiency water-cooled chillers, totalling 56,250 RT, for EMPOWER's district cooling projects in Dubai.

This collaboration strengthens EMPOWER's intellectual capital through innovation and knowledge exchange, further reinforcing its leadership in sustainable energy solutions.

Expanding Reach Through New Connections

EMPOWER continues to strengthen its footprint in Dubai's district cooling sector by securing new connections with landmark developments and flagship projects, reinforcing its commitment to sustainability and operational excellence.

In FY2024, EMPOWER connected several high-profile developments, further expanding its service network:

- » **Wasl Tower** – A 302-meter-high twisted skyscraper on Sheikh Zayed Road (3,900 RT).
- » **The Crest & The Crest Grande** – Sobha Realty's prime developments in Meydan (4,100 RT and 4,200 RT, respectively).
- » **Regalia Tower Deyaar Development Projects** – Strategic connections in Business Bay (2,580 RT).
- » **The Peninsula**: Towers E and D, delivering 2,730 RT of district cooling.

These connections significantly increased EMPOWER's total connected capacity, while its contracted capacity surged to 1.76 million RT by year-end.

Additionally, EMPOWER initiated the construction of a new district cooling plant in Deira, following the award of the main construction contract in 2024. Designed to serve over 46 buildings within the Deira Waterfront development, this plant will have a total production capacity of 39,000 RT, further strengthening EMPOWER's role as a leader in sustainable district cooling solutions.

EMPOWER's commitment to sustainability is exemplified by its six LEED Gold-certified district cooling plants, reinforcing its leadership in energy-efficient urban cooling.

Capacity Growth and Timetable

EMPOWER continues to demonstrate a strong trajectory of growth in Refrigeration Ton (RT) capacity, reflecting its commitment to innovation and operational excellence. Since 2017, our connected capacity has expanded significantly, increasing from 992,000 RT to 1,566,032 RT by the end of FY2024, marking a 58% growth. In parallel, contracted capacity also witnessed a substantial rise, reaching 1,764,150 RT in FY2024.

Looking ahead, EMPOWER is poised for sustained expansion, with a projected RT capacity of 1,844,000 RT by 2027. This growth strategy is underpinned by Dubai's ongoing development, modernisation of existing systems, secured commitments from master developments, strategic acquisitions, and an expansion into international markets. These key initiatives will further solidify EMPOWER's position as a leader in the district cooling industry.

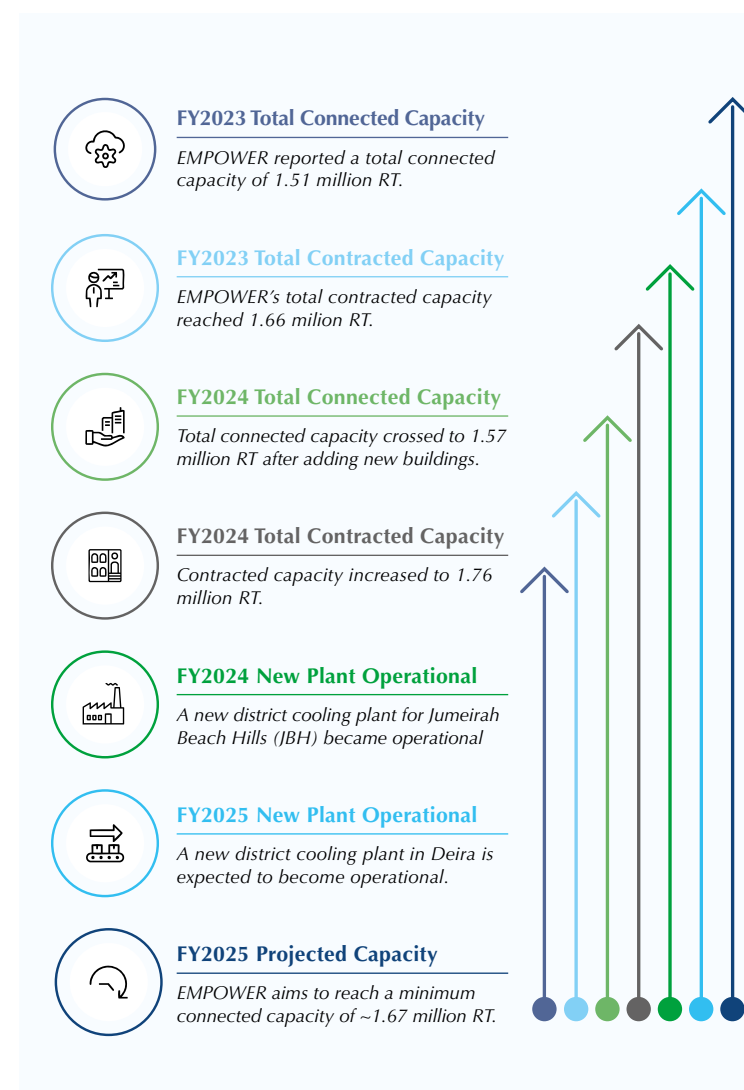
Technologies Used:

In FY2024, EMPOWER reaffirmed its commitment to growth, sustainability, and technological advancement, strengthening its position as the global leader in district cooling. At the core of its success lies continuous investment in cutting-edge infrastructure, ensuring efficiency, reliability, and environmental responsibility. The deployment of high-efficiency chillers has significantly reduced energy consumption, while the integration of Thermal Energy Storage (TES) systems has optimised off-peak cooling, alleviating pressure on the electricity grid during peak demand. Additionally, advanced control systems have been instrumental in enhancing plant performance, delivering seamless and uninterrupted cooling services.

As part of its ongoing expansion, EMPOWER has implemented substantial infrastructure enhancements to increase capacity and improve operational efficiency. The installation of advanced chillers with superior energy efficiency ratings reinforces the company's sustainability goals. Simultaneously, the expansion of TES capacity has enabled more effective energy utilisation, enhancing grid stability. EMPOWER's state-of-the-art Command Control Centre has further enabling real-time monitoring, automation, and precision control over cooling distribution.

EMPOWER actively participates in the regional and global Industry conferences using it as a platform for professional development and to exchange knowledge among international experts. These events feature dialogue sessions, panel discussions, training, and specialised seminars. In collaboration with ASHRAE, EMPOWER has also been instrumental in developing the District Cooling Guide, which has earned international acclaim for its guidance on creating energy-efficient and environmentally friendly buildings compatible with district cooling systems. This has led to an initiative to develop District Cooling Standard in collaboration with ASHRAE. More details on EMPOWER's partnership with ASHRAE can be found in the Intellectual Capital chapter.

Looking ahead, EMPOWER is executing an ambitious growth strategy, driven by Dubai's rapid urban development and a commitment to modernising its existing infrastructure. With a focus on securing growth from large-scale master-planned developments and strategic acquisitions, the company remains poised to expand its footprint while continuing to set new benchmarks in sustainable cooling solutions.



Company Awards received in 2024

- » Two Guinness World Records, for the highest capacity district cooling plant (DCS) and for the Largest Cooling Plant Coverage (Number of buildings) for EMPOWER's Business Bay District Cooling project, which has a total connected capacity of 241,272 RT.
- » Four awards at the IDEA Annual Conference and Exhibition in the USA:
 - Innovation Award Honourable Mention for Integrated Metering Solutions.
 - Innovation Award Honourable Mention for Chiller Efficiency Improvement at Business Bay 02.
 - IDEA Gold award for 'The number of buildings committed'.
 - IDEA Gold award for 'The total building area committed'.
- » Recognised by Moro Hub for efforts in reducing carbon emissions. EMPOWER reduced carbon emissions by 42,415.92 kilograms over three years through its use of Moro's Green Data Centres.
- » Recognised as the 'Leading District Cooling Company In Dubai' by the Dubai Supreme Council of Energy (DSCE) in its Demand Side Management Recognition Program.

District Cooling Distribution Infrastructure

The chilled water produced in EMPOWER's efficient district cooling plants, is delivered to customers via an extensive underground network of pipes and related infrastructure. As of 2024, EMPOWER's total distribution pipeline network extends over 418 kilometres throughout Dubai, connecting a diverse range of commercial, residential, and industrial clients to its district cooling plants.

Environmentally responsible and durable materials are used to construct this network:

- » **High-density polyethylene (HDPE) pipes**
The outer layer HDPE protects the insulation and pipe from ground water, moisture and mechanical damages.
- » **Insulation materials** reduce energy waste and maintain consistent cooling temperatures as the chilled water travels through the network. Minimise heat loss and prevent corrosion, ensuring efficient cooling distribution.



EMPOWER secured two Guinness World Records, four IDEA awards, and multiple recognitions in 2024 for innovation, sustainability, and leadership in district cooling, carbon reduction, and efficiency.

To uphold the integrity and dependability of its cooling network, EMPOWER adheres to stringent maintenance protocols:

- » **Advanced monitoring systems** are utilised in EMPOWER's Command Control Centre (CCC) to detect and respond to any disruptions in real-time, guaranteeing uninterrupted service and minimising downtime.
- » **Regular inspections** are carried out to detect and address any potential leaks or damage promptly, preserving the system's efficiency.
- » **Preventive maintenance programmes** are in place to extend the lifespan of the network's components, reducing the need for frequent replacements and minimising environmental impact.

In 2024, EMPOWER expanded its Reverse Osmosis (RO) Capacity to 21,359 m³/day, which enhances its water recycling and treatment capabilities. The expansion of RO capacity strengthens EMPOWER's long-term water security strategy, reducing operational risks while contributing to national water conservation targets. By treating and recycling more water, the company is pioneering a closed-loop approach in the district cooling sector. This RO initiative aligns with Dubai's governmental strategies to optimise desalinated water consumption and promote alternative water sources such as treated sewage effluent.

A notable example of EMPOWER's engineering prowess is the micro-tunnelling project completed in 2022. This project involved interconnecting the upper and lower district cooling networks of Business Bay by constructing an advanced micro-tunnel beneath the Dubai Canal at a depth of 27 meters. This initiative resulted in a seamless 52.4-kilometer underground cooling network, enhancing system efficiency, redundancy, and operational reliability.

Technology and Innovation in Manufactured Capital

EMPOWER is committed to leveraging technology and innovation to drive continuous improvement in the efficiency and reliability of its manufactured capital.

- » **Advanced Control Systems:** EMPOWER utilises sophisticated control systems that monitor and optimise plant performance in real-time, adjusting cooling output to match customer demand and minimise energy consumption. The Command Control Centre (CCC) employs cutting-edge SCADA system to monitor, control, and optimise the performance of cooling plants and networks across Dubai in real-time. The CCC harnesses advanced algorithms, artificial intelligence, and predictive analytics to ensure peak operational efficiency, energy conservation, and environmental sustainability.
- » **Smart Monitoring Technologies:** EMPOWER employs smart sensors and data analytics to monitor the condition of its assets, predict potential failures, and optimise maintenance schedules, ensuring proactive and cost-effective asset management. AI-driven predictive maintenance and advanced metering technologies enable precise energy management, improved operational efficiency, and proactive issue resolution.
- » **Sustainable Materials:** EMPOWER is committed to using sustainable materials in its infrastructure projects, prioritising materials with low environmental impact and high durability. New plants are designed according to the highest international standards, considering sustainable green building standards and Dubai's vibrant urban developments.

Asset Management Strategy: Ensuring Efficiency, Reliability, and Sustainability

EMPOWER's asset management approach is rooted in sustainability, efficiency, and reliability, ensuring long-term performance across all stages of the asset lifecycle.

Lifecycle Management

From planning to decommissioning, EMPOWER optimises its infrastructure for minimal environmental impact, energy efficiency, and long-term reliability. New plants are designed to blend seamlessly with their surroundings while aligning with the UAE's sustainability vision. During operations, preventive and predictive maintenance programmes maximise asset lifespan and minimise downtime, supported by real-time monitoring systems that optimise plant performance. When decommissioning assets, EMPOWER prioritises responsible disposal and recycling to reduce environmental impact.

Maintenance & Reliability

EMPOWER's robust maintenance programmes ensure operational efficiency and asset longevity. Preventive maintenance involves regular inspections and servicing to prevent failures, while predictive maintenance leverages AI-driven analytics to detect potential issues before they arise. Real-time condition monitoring through the Command Control Centre (CCC) and Supervisory Control and Data Acquisition (SCADA) systems enhances operational oversight, improving efficiency and reliability.

Risk Management

To safeguard its infrastructure, EMPOWER implements redundancy measures and backup systems to mitigate equipment failures and network disruptions, ensuring uninterrupted service. Its CCC utilises AI and predictive analytics to monitor, control, and optimise cooling operations in real-time, proactively addressing potential issues. EMPOWER has also developed a Parallel Work Environment (PWE), which functions as a redundant system of CCC by way of having an alternate remote operation of the plants to ensure business continuity through having continues and close visibility of district cooling plant operations. The PWE system relies on a fully independent system equipped with cutting-edge technologies, and will provide self-control for all the operations of the Command Control Centre. Additionally, the company assesses climate-related risks, enhancing infrastructure resilience to withstand extreme weather conditions and environmental changes.

Through continuous technological integration, smart monitoring, and proactive risk management, EMPOWER remains at the forefront of sustainable and reliable district cooling solutions.

EMPOWER integrates AI-driven predictive maintenance, machine learning tools, and real-time monitoring to enhance operational efficiency and energy savings.



UNSDG:



Strategic Pillars:



Material Issue Surveyed

Knowledge-sharing and strategic partnerships are crucial for expanding the impact of district cooling. Brand reputation and market leadership are strengthened through sustainable cooling practices and intellectual capital.

Business Model Elements:



GRI

102-12, 102-13, 102-16, 103, 201, 203, 404

Intellectual Capital

Driving Sustainable Value Creation at EMPOWER

Intellectual capital is the driving force behind EMPOWER's technological leadership, strategic influence, and industry-defining innovations. As the world's largest district cooling services provider, we recognise that success is measured in operational scale as well as the depth of expertise, research capabilities, and collaborative partnerships that shape our industry's evolution. We continuously invest in research and development (R&D), knowledge-sharing, and talent development to reinforce our position at the forefront of efficient cooling solutions and are shaping the future of district cooling as a sustainable solution for cities worldwide.



Guinness World Records Recognition: In 2024, EMPOWER achieved two Guinness World Records—one for the highest capacity district cooling plant (DCS) and another for the largest cooling plant coverage by the number of buildings served. These milestones demonstrate EMPOWER's engineering excellence and solidify its global leadership in sustainable district cooling infrastructure, marking the most significant achievement of the year.

International District Energy Association (IDEA) Innovation Awards: EMPOWER's commitment to technological advancement was recognised with Innovation Awards for Integrated Metering Solutions and Chiller Efficiency Improvement at Business Bay 02, underscoring its operational excellence and leadership in sustainable cooling. Additionally, EMPOWER received Gold awards for 'Number of Buildings Committed' and 'Total Building Area Committed', further reinforcing its dominance in district cooling and large-scale urban energy solutions.

LEED Gold Certification: The Business Bay 05 plant's LEED Gold Certification underscores our commitment to sustainable design and environmental standards, reinforcing our reputation for energy-efficient cooling solutions.

Leading District Cooling Company in Dubai: EMPOWER was recognised as the 'Leading District Cooling Company in Dubai' by the Dubai Supreme Council of Energy as part of the Demand Side Management Strategy recognition program. This further solidifies company's pioneering position in the regional district cooling sector.

Strategic Collaborations: The Memorandum of Understanding (MoU) with the UAE Ministry of Energy and Infrastructure enhances our intellectual capital through collaborative knowledge-sharing and expansion into new markets.

Technological Innovation and Partnerships: Collaboration with ASHRAE for researching the next generation district cooling technologies and developing global standard for district cooling reflect EMPOWER's role in pioneering district cooling innovations.

ISO Certifications: Maintaining ISO standards (Quality, Environmental, Occupational Health, and Information Security) demonstrates our commitment to continuous improvement, operational excellence, and knowledge management.



UNSDG



GRI

302, 305, 103

Advancing district cooling technologies through innovation and R&D

Innovation is central to EMPOWER's success, with continuous investments in research and development driving operational efficiency, environmental performance, and advancements in district cooling technologies. A key focus area is the development of next-generation district cooling systems, integrating artificial intelligence (AI) and renewable energy to optimise cooling efficiency, enhance sustainability, and align with global decarbonisation efforts.

Our partnership with ASHRAE reinforces EMPOWER's role as a pioneer in sustainable cooling, ensuring that our technological advancements set the standard for the industry worldwide.

A prime example of this innovation is our partnership with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). This collaboration has led to launching an initiative for the development of the next-generation district cooling system, integrating artificial intelligence and renewable energy. The project will enhance energy efficiency through AI-powered load forecasting and reduce carbon emissions in alignment with the UAE's Net Zero 2050 goals.

Further strengthening our sustainability leadership, EMPOWER is expanding the adoption of Reverse Osmosis (RO) technology across multiple district cooling plants. Having already integrated RO into operations, we are now scaling up its deployment to enhance water efficiency, reduce freshwater dependency, and lower energy consumption. This initiative reinforces our commitment to maximising resource efficiency and minimising the environmental impact of district cooling.

By continually improving processes and embracing cutting-edge technologies, EMPOWER is setting a new industry benchmark, ensuring that district cooling evolves to meet the increasing demands for sustainability, efficiency, and resilience in urban infrastructure.

EMPOWER and ASHRAE: A strategic partnership for the future of district cooling

Developing the global standard for district cooling

This year, we advanced our leadership in sustainable cooling solutions through a landmark collaboration with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). The two organisations have signed a Memorandum of Understanding (MoU) to co-develop a unified global standard for district cooling, designed to enhance energy efficiency, reduce environmental impact, and set a benchmark for best practices in district cooling operations worldwide.

This initiative aims to establish a widely applicable standard that aligns with the diverse climatic conditions and regulatory landscapes of various countries. The District Cooling Standard, expected to be completed by 2025, will serve as a key reference for urban planners, developers, and cooling industry professionals, ensuring that new and existing district cooling networks are designed for optimal performance, sustainability, and economic feasibility.

Advancing the Next Generation of District Cooling Systems

As part of a strategic collaboration, EMPOWER and ASHRAE are supporting a research study on next-generation district cooling systems, focusing on AI-driven energy management and renewable energy.

This initiative aims a further reduction of fossil fuel dependency and to accelerate transition from conventional district cooling systems to highly integrated, predictive, and energy-efficient cooling solutions.

Under this collaboration, the research study will be conducted by a designated institution, with ASHRAE providing technical oversight and industry expertise. The study will assess emerging technological advancements to develop district cooling systems that optimise energy consumption, enhance efficiency, and improve sustainability. A key area of focus includes the integration of renewable energy sources into district cooling operations, which has the potential to significantly reduce carbon footprints and operational costs while aligning with global sustainability targets.

Impact on global cooling practices

This partnership represents a major shift in the way district cooling systems are conceptualised and implemented. The standardised framework will facilitate the adoption of energy-efficient district cooling solutions in urban environments worldwide, driving significant reductions in energy consumption and carbon emissions. By optimising cooling system performance through AI-driven analytics and predictive load management, the new standard will provide a scalable, adaptable solution for cities facing rising energy demands and climate challenges.

Future roadmap: Global implementation and industry transformation

EMPOWER will continue to expand its involvement in international district cooling summits, sharing insights and best practices with urban developers, policymakers, and energy experts. The goal is to ensure district cooling remains a core pillar of global urban sustainability efforts, helping cities meet their net-zero emissions targets while delivering cost-effective, resilient, and environmentally friendly cooling solutions.



UNSDG



GRI

102-12, 102-13, 103

These recognitions strengthen EMPOWER's brand equity, investor confidence, and reputation as the industry's sustainability leader, further reinforcing our intellectual capital and competitive edge.

UNSDG



GRI

102-13, 103, 203

Strengthening global leadership through recognition and industry influence

EMPOWER's expertise is widely recognised across the global district cooling landscape. Our leadership is reinforced by prestigious awards that validate our commitment to sustainability, operational excellence, and innovation. Our accolades, including the Guinness World Records, IDEA SPACE Awards, further reflect our role as pioneers in the industry.

Our global influence is also evident in our engagement with the International District Energy Association (IDEA). For over two decades, EMPOWER has collaborated with IDEA to shape the future of district cooling through knowledge-sharing, innovation, and best practice exchange. Our participation in key IDEA events has earned us four prestigious awards in 2024, underscoring our achievements in operational excellence, building integration, and innovation. These recognitions serve as a testament to our continued leadership and influence in the field.

Strategic partnerships and collaborative knowledge exchange

EMPOWER's intellectual capital extends beyond internal expertise through strategic collaborations with global industry leaders and policy organisations. Our long-standing association with ASHRAE spans various initiatives, including participation in ASHRAE's annual conferences, reinforcing our commitment to advancing district cooling technologies and industry best practices. Similarly, our collaboration with the International District Energy Association (IDEA) has strengthened global industry dialogue, facilitating technical innovation, regulatory advancements, and investment in capacity building to accelerate the adoption of district cooling worldwide.

In FY2024, EMPOWER reaffirmed its commitment to sustainable cooling solutions by securing the Diamond Sponsorship for IDEA Conferences and Exhibitions 2025. This prestigious sponsorship extends across IDEA Campus Energy 2025, IDEA 2025, and other key industry events, further supporting the Sustainable Sponsorship Program.

By engaging with global platforms, EMPOWER plays a pivotal role in shaping the future of urban cooling, driving discussions on technological advancements, energy efficiency, and regulatory frameworks governing district cooling. These forums enable EMPOWER to share insights, showcase innovations, and contribute to the global sustainability agenda, reinforcing its leadership in energy-efficient infrastructure.

Through continued participation in key industry forums and strategic partnerships, EMPOWER strengthens its commitment to environmental stewardship, operational efficiency, and the transformation of urban cooling systems on a global scale.

Investing in human capital and capacity building

Knowledge-sharing and capacity building play a crucial role in ensuring the continued evolution of district cooling. EMPOWER actively invests in training and education to cultivate the next generation of sustainability professionals. The NextGen District Cooling Experience, hosted at Business Bay 3 District Cooling Plant, provided students from Zayed University with an interactive introduction to district cooling technologies. The initiative allowed students to engage with environmentally friendly District Cooling operations, thermal energy storage systems, and water conservation strategies, ensuring that future engineers and sustainability leaders gain hands-on exposure to the latest industry advancements.

By fostering technical expertise among young professionals, EMPOWER is securing the future of the industry and ensuring that sustainability remains an integral part of district cooling's growth trajectory. The programme reflects our broader objective of equipping future leaders with the knowledge and skills needed to drive climate-conscious urban development.

Public engagement and industry thought leadership

EMPOWER continues to advance industry thought leadership and stakeholder engagement, actively contributing to the global dialogue on sustainable urban cooling solutions. In 2024, EMPOWER hosted consultant meetings, further strengthening collaboration with industry experts, policymakers, and researchers. These engagements provide a platform to exchange insights, drive innovation, and accelerate the adoption of energy-efficient cooling solutions worldwide.

Additionally, through our Diamond Sponsorship of the IDEA Conferences and Exhibitions 2024, including IDEA Campus Energy 2024 and IDEA 2024, EMPOWER extends its influence on the global sustainability agenda. By hosting and contributing to major industry conferences, we remain at the forefront of public engagement, technology-driven solutions, and the evolution of sustainable district cooling.



UNSDG



GRI

404, 103, 401

UNSDG



GRI

102-43, 103

EMPOWER drives district cooling innovation through global partnerships, industry leadership, and capacity building. As IDEA 2025 Diamond Sponsor, it advances sustainability, nurtures future talent, and shapes energy-efficient urban cooling solutions worldwide.

UNSDG



GRI

203, 302, 103

Strategic investments in infrastructure and market expansion

EMPOWER continues to strengthen its market leadership by investing in strategic infrastructure projects and cutting-edge operational technologies. The implementation of SCADA systems and a state-of-the-art Command and Control Centre enhances real-time monitoring, predictive analytics, and automated system optimisation, ensuring greater efficiency, reliability, and sustainability in district cooling operations.

In parallel, the adoption of AI-driven predictive maintenance and advanced metering technologies enables precise energy management, improved operational efficiency, and proactive issue resolution. These advancements not only optimise resource utilisation and reduce environmental impact but also enhance customer satisfaction by delivering consistent, high-performance cooling solutions.

By integrating smart automation, data-driven insights, and scalable infrastructure, EMPOWER remains at the forefront of sustainable urban cooling, reinforcing its commitment to efficiency, innovation, and environmental responsibility.

Business Bay – A Benchmark in Sustainable Cooling and Technological Innovation

The Business Bay District Cooling Project is a landmark achievement in sustainable urban cooling, reinforcing EMPOWER's leadership in energy-efficient solutions, global partnerships, and industry innovation. With a record-breaking connected capacity of 241,272 RT across four plants and six Thermal Energy Storage (TES) tanks - set to expand to 451,540 RT across nine plants and sixteen TES tanks—it is the largest district cooling system in the world.

As a model for future urban cooling developments, Business Bay exemplifies technical excellence, cutting-edge engineering, and sustainability-driven infrastructure. Through continuous innovation, strategic collaborations, and large-scale integration of sustainable technologies, EMPOWER is setting new global benchmarks for district cooling, shaping the future of sustainable cities and energy-efficient urban infrastructure.



Strengthening Brand Reputation and Market Leadership

The Business Bay District Cooling Project has significantly elevated EMPOWER's global standing, serving as a testament to the company's ability to execute high-efficiency, environmentally responsible district cooling solutions on a large scale.

Guinness World Records Recognition: EMPOWER's Business Bay project has achieved two Guinness World Records—one for the highest capacity district cooling plant (DCS) and another for the largest cooling plant coverage by the number of buildings served. These milestones highlight EMPOWER's unmatched expertise in large-scale sustainable cooling, setting a benchmark for future developments.

LEED Gold Certification: Business Bay's BB2 plant was the first LEED-certified district cooling plant in the region, aligning with U.S. Green Building standards. This achievement demonstrates EMPOWER's capability in designing, building, and operating district cooling systems that meet the highest international environmental standards.

Investor and Partner Attraction: The scale and success of the Business Bay project have enhanced EMPOWER's appeal to global investors, developers, and sustainability-focused organisations, reinforcing its position as a trusted leader in district cooling development.

Media and Industry Recognition: The project has garnered significant media coverage and industry accolades, further enhancing EMPOWER's brand visibility and influence in sustainable cooling.

Advancing Strategic Partnerships and Knowledge Exchange

Beyond its operational success, the Business Bay project has served as a catalyst for strategic collaborations with leading global players in district cooling and energy infrastructure, reinforcing EMPOWER's Intellectual Capital through knowledge-sharing and technological advancements.

Government Engagement & Policy Influence: The Business Bay District Cooling Project has attracted high-level governmental attention, with His Highness Sheikh Ahmed bin Saeed Al Maktoum reviewing the project's model at WETEX 2024. This endorsement underscores the project's alignment with Dubai's vision for sustainable energy solutions and further strengthens EMPOWER's collaboration with policymakers and regulators.



EMPOWER pushes the boundaries of district cooling with smart engineering, like deep micro-tunnels under the Dubai Canal, and partnerships with Mitsubishi for greener, more efficient cooling.

» Engineering Breakthrough: Micro-Tunnelling Innovation:

In 2022, EMPOWER successfully interconnected Business Bay's upper and lower district cooling networks through an advanced micro-tunnelling project beneath the Dubai Canal at a depth of 27 meters—one of the deepest district cooling pipelines in the Middle East. This 220-meter tunnel, along with an additional 100-meter tunnel under Marasi Drive, has created a seamless 52.4-kilometer underground single district cooling network, ensuring enhanced system efficiency, redundancy, and operational reliability.

» Mitsubishi Heavy Industries Collaboration:

EMPOWER's partnership with Mitsubishi Heavy Industries Thermal Systems has enabled the integration of next-generation, high-efficiency chillers, ensuring optimal cooling performance with lower energy consumption. This collaboration reinforces EMPOWER's commitment to leveraging cutting-edge technology for sustainable district cooling.

» Global Industry Leadership:

Insights gained from the Business Bay project are being actively shared through EMPOWER's participation in international conferences, summits, and collaborative research programmes. These contributions help advance the global district cooling industry, ensuring that EMPOWER remains a key thought leader in sustainable urban cooling.



UNSDG:



Strategic Pillars:



Material Issue Surveyed

5, 8, 9

Business Model Elements:



GRI

401, 403, 404, 406, 408, 409, 412, 414

Human capital remains at the core of our success and leadership in the district cooling sector. We are dedicated to creating a workplace that embraces diversity, fosters professional growth, ensures safety, and recognises excellence. By adopting a holistic approach, we cultivate an inclusive and dynamic environment that empowers our employees to thrive.

Our unwavering focus on well-being, compliance, and continuous learning reflects our belief that a skilled, safe, and prepared workforce drives operational excellence and sustainable growth. Through targeted training initiatives, we not only strengthen employee capabilities but also align with broader goals of environmental stewardship and corporate responsibility. This year, our initiatives have reinforced our position as a leader in promoting a safe, inclusive, and forward-thinking workplace.

Human Capital

Building a Culture of Diversity, Safety, and Success



38

Total Number of External Training Sessions

31.4%

Emiratization

1,799

Site inspections for HSE compliance

Our human capital priorities



UNSDG



GRI

405-1

Workforce demographics and diversity

Embracing diversity and advancing equal opportunity

In 2024, EMPOWER reaffirmed its commitment to diversity and inclusion as a cornerstone of its human capital strategy. With a workforce representing 27 nations across continents, we strengthened our focus on skill-based recruitment to build a vibrant, multicultural environment. This diversity has enriched our workplace with a wealth of perspectives, driving innovation and collaboration. By embedding

cultural inclusivity and individual empowerment into our work culture, we continue to enhance employee engagement and satisfaction, ensuring sustained competitive success.

Enhancing inclusivity in action:

Sign Language Training at EMPOWER

Inclusivity is at the heart of our human capital strategy, ensuring that all employees are equipped with the skills to foster a diverse and accessible workplace. As part of this commitment, we partnered with DEWA's Inclusion POD Innovation Incubator to deliver a Sign Language Training Program in collaboration with the Dubai Centre for People of Determination.

Held on 24 September 2024, the International Day of Sign Language, the workshop provided employees with essential communication skills

to engage meaningfully with people of determination. Over 15 employees participated, learning foundational sign language, including greetings, numbers, and key phrases.

This initiative reinforces our dedication to creating an inclusive, accessible, and empathetic work culture, empowering our employees to better connect with all members of the community.

Sustaining Talent Through Retention Excellence

EMPOWER achieved an impressive retention rate of 87.8% in 2024. Our enhanced retention strategy included expanded professional development opportunities, refreshed onboarding experiences, and increased flexibility in working arrangements. We also introduced new programmes to support career progression, with a focus on leadership development for underrepresented groups. Insights from exit interviews continued to shape policies, reflecting our commitment to continuous improvement and employee well-being.

The average tenure of employees was 6.7 years in 2024, reflecting our ability to provide a stable, growth-oriented environment that fosters loyalty and institutional knowledge. Moving forward, we remain focused on strengthening gender representation in leadership roles and furthering our commitment to inclusion and employee satisfaction. By investing in our people, we ensure a resilient and future-ready workforce that drives both operational excellence and long-term sustainability.

Advancing gender equality and ethnic representation

In 2024, EMPOWER continued to make progress in promoting gender equality and ethnic diversity across its workforce. Equal opportunities in recruitment, training, and career advancement remained central to our approach. By the end of FY 2024, women represented 23% of our total office staff and 14% of managerial staff—demonstrating ongoing strides toward more balanced leadership representation. Our commitment to diversity is further reflected in the long tenures of employees, with several team members contributing for over two decades, reinforcing a culture of inclusivity and dedication.

UNSDG



GRI

401-1

UNSDG



GRI

405 – 1

27

Number of Countries represented, fostering a global work culture.

87.8%

Employee Retention Rate for FY2024.

77:23

Male and female ratio of total office staff.

Recognising the contributions of mothers at EMPOWER

We value the dedication, resilience, and contributions of working mothers who balance professional and personal responsibilities. In celebration of Mother's Day, we honoured the mothers within our workforce with personalised

electronic appreciation cards, expressing gratitude for their invaluable role in both their families and our organisation.

This initiative reinforced our commitment to fostering a supportive and inclusive workplace culture, where employees feel valued beyond their professional contributions. The overwhelming positive response highlighted the power of recognition in strengthening employee engagement and well-being.

UNSDG



GRI

203 – 1



Empowering national talent and driving Emiratisation

At EMPOWER, fostering Emirati talent is at the heart of our human capital strategy. In 2024, UAE nationals comprised 31.4% of our office staff, with women representing 45% of the Emirati workforce—a testament to our commitment to gender equality. Aligned with the UAE's national vision, we achieved 45.7% Emirati representation in senior management, underscoring our dedication to building a leadership pipeline.

To drive Emiratisation, we launched targeted initiatives designed to nurture talent and advance careers. Our Competency-Based Training Programmes, developed with expert partners, addressed skill gaps and provided specialised training in leadership, technical skills, and soft skills. This investment has empowered our Emirati employees to take on key roles and contribute meaningfully to our success.

Through Career Development Pathways, we created structured progression plans, pairing fresh graduates with mentors and coaches to guide their professional journeys. In parallel, our Leadership Development for Supervisors program provided intermediate-level employees with the tools to build their leadership capacity and prepare for senior responsibilities.

We welcomed new talent through comprehensive Onboarding & Integration programmes, ensuring every Emirati employee quickly felt part of the EMPOWER community. Tailored induction and orientation sessions set the foundation for their success within the company.

To cultivate future leaders, our Leadership Acceleration Programmes identified high-potential Emirati employees and placed them in fast-track training programmes to prepare them for managerial roles.

Additionally, we strengthened our ties with academic institutions through Educational Partnerships, collaborating with universities and training centres to create internships and pathways for fresh graduates.

Finally, we ensured continuous improvement through Tracking & Evaluation, implementing performance-tracking tools and post-training assessments to measure program effectiveness and align with Emiratisation goals.

Together, these initiatives reflect EMPOWER's commitment to investing in national talent and supporting the UAE's vision for a competitive, knowledge-based economy.

Empowering Emirati women in EMPOWER's workforce

On Emirati Women's Day, we at EMPOWER emphasise the significant role of Emirati women in our operations, demonstrating our commitment to human capital development. This day highlights

the UAE's ongoing efforts to empower women, a vision that has been promoted since the time of the late Sheikh Zayed bin Sultan Al Nahyan. We showcase how Emirati women are leading sustainable initiatives and actively participating in production and distribution operations, from our company's Command Control Centre (CCC) to all areas of our operations.

Over 62% of our female workforce are Emirati women, holding diverse roles across all levels, reflecting the UAE's commitment to gender equality and our dedication to empowering women and attracting top Emirati talent.

Our celebration of Emirati Women's Day underscores our commitment to fostering a work environment that supports gender balance and attracts top national talents. We also aim to prepare Emirati women for leadership roles in the vital district cooling industry. This approach is aligned with the UAE's strategic direction to empower women and ensure their full participation in economic development.

Employee development and well-being

In FY2024, EMPOWER provided training to 497 employees, totalling over 963 hours across various skill-building and leadership development sessions. The company has been encouraged to include the average training hours per employee in future reports for greater transparency. In addition to these development programmes, EMPOWER dedicated 3,438 man-hours to Health, Safety, and Environment (HSE) training, reinforcing its commitment to safety and compliance.

Training Programmes

EMPOWER continues to invest in robust training programmes designed to enhance employee skills and career progression. These programmes cover key areas such as safety protocols, environmental stewardship, and regulatory compliance, ensuring employees are well-prepared for the evolving demands of the district cooling industry. Training is delivered through multiple formats, including classroom instruction, on-the-job training, and Tool Box Talks (TBT), providing a comprehensive approach to skill development.



86:14

Male : Female gender diversity in our managerial staff.

31.4%

UAE nationals in our office staff, reflecting our support for local talent development.

62%

UAE nationals in our female workforce, showcasing our dedication to Encouraging women.

UNSDG



GRI

402 –2

497

Total number of employees attending training in 2024

963

Total hours of employee training in 2024

UNSDG



GRI

402 –2

Upskilling Programmes

Upskilling is central to our commitment to building a future-ready workforce. In 2024, we launched a comprehensive suite of training initiatives designed to sharpen technical skills, enhance digital literacy, and cultivate leadership capabilities. These programmes empower our employees to drive innovation, operational excellence, and sustainable growth.

Technical Excellence and Industry Certifications

Employees gained critical technical qualifications through sessions such as Accredited Energy Practitioner (AEP), Assistant SCADA Engineers Training, and Integrated Solar Photovoltaic (PV) System Design. These certifications bolster our ability to lead in energy efficiency and sustainable technologies.

Digital and Cybersecurity Proficiency

To enhance digital capabilities, we provided advanced training in MS Excel Dashboards, VBA Macros, and MS Office Suite. Meanwhile, Cybersecurity Training by Siemens and the Fortinet NSE4 Programme strengthened our defences against cyber threats, ensuring our systems and customer data remain secure.

Operational and Safety Preparedness

We prioritised safety with Basic First Aid, Fire Warden Training, and Confined Space Safety Workshops, fostering a secure and compliant workplace. Additionally, training on Construction Contract Law, Bid Management, and Strategic Thinking equipped teams with essential skills for managing large-scale projects effectively.

Promoting Inclusivity and Leadership Development

Our commitment to inclusivity was evident through initiatives like Sign Language Training (Arabic and English) and the Emirati Women and Shaping the Future Conference, fostering a culture of diversity and empowerment. Additionally, courses such as The New Star Management Supervisor Programme and Powerful Negotiation Skills prepared emerging leaders for senior roles.

Driving Sustainability and Innovation

We engaged employees with industry-leading forums such as the MENA Climate Proof Forum and Greenhouse Gas Accountant Training, reinforcing our commitment to climate action and sustainable operations.

Continuous Improvement through Learning Culture

A strong learning culture is integral to our success. We promoted continuous development with courses such as Personal Development and Work Ethics, Business Communication Skills, and Stress and Time Management, ensuring our workforce remains resilient and agile.

Talent Management and Succession Planning

EMPOWER's commitment to talent management is evident in its employee retention rate of 87.8% in 2024. This is driven by comprehensive performance reviews, tailored professional development opportunities, and a supportive onboarding experience. These efforts ensure that employees are engaged, motivated, and positioned for long-term success within the company. Furthermore, the company's talent pipeline is nurtured through proactive succession planning, ensuring a continuous supply of capable leaders ready to drive the company's future growth.

Leadership Development

Leadership development is a key priority at EMPOWER. The company offers specialised training programmes aimed at cultivating leadership skills at various levels of the organisation. These programmes reflect EMPOWER's

long-term commitment to nurturing future leaders who will uphold the company's values and contribute to its strategic goals. By investing in leadership development, EMPOWER is securing the future of its organisational culture and ensuring effective governance across all levels.

Health and Safety Programmes

EMPOWER has implemented a robust Health, Safety, and Environment (HSE) strategy, reflecting its unwavering commitment to employee well-being and proactive risk management. In 2024, the company conducted 1,799 HSE site inspections, focused on 1,513 Plant inspections 128 high-risk tasks and 158 in-depth hot works inspections. These efforts underscore EMPOWER's dedication to minimising workplace hazards and ensuring a safe working environment. Additionally, the company delivered 1,544 safety-focused training sessions with 7,906 attendees and 3,438 man-hours, covering essential topics such as safety protocols, environmental stewardship, and regulatory compliance. EMPOWER's strong safety culture is further evidenced by its achievement of 6,017,626 safe man-hours in 2024, showcasing the effectiveness of its preventive measures. To ensure consistent safety practices, EMPOWER has implemented a comprehensive Quality, Health, Safety, and Environment (QHSE) policy across all departments, which is continuously monitored and enforced.

Fostering a culture of safety through the 'Accident-Free Day' initiative

Safety is a core pillar of our corporate culture, extending beyond the workplace to the broader community. As part of our ongoing commitment to employee well-being and social responsibility, we actively participated in the Dubai Police's "Accident-Free Day" Initiative, reinforcing the importance of road safety and responsible driving practices.

UNSDG



GRI

403 – 2

Work-Life Balance Initiatives

At EMPOWER, we are dedicated to fostering a skilled, motivated, and well-balanced workforce by integrating comprehensive employee development and well-being programmes into our human capital strategy.

Employee Development and Continuous Learning

» Creating Effective Training Programmes

We identify skill gaps and address them through workshops, e-learning modules, and structured career development plans tailored to our employees' needs.

» Encouraging Continuous Learning

EMPOWER promotes a culture of learning by supporting professional certifications, establishing mentorship programmes, and fostering knowledge-sharing initiatives.

UNSDG



GRI

403 – 2

UNSDG



GRI

404 –2

12.2%

Employee Turnover rate

1,544

Training sessions conducted, covering safety, environmental, and compliance topics.

7,906

Individuals participated in safety related training.

Zero

Work-related injuries or illnesses

» **Measuring Training Impact**

To enhance the effectiveness of our programmes, we collect feedback and track performance through KPIs, ensuring continuous improvement.

Employee Well-Being Initiatives

» **Work-Life Balance**

We provide training on time management and stress reduction while supporting flexible working hours and educational leave to help employees balance their personal and professional responsibilities.

» **Mental Health Support**

EMPOWER organises wellness programmes and resilience training to support employees' mental well-being.

» **Building a Positive Culture**

We foster an inclusive and collaborative workplace by recognising achievements, encouraging teamwork, and celebrating contributions.



Employee Assistance Programmes

EMPOWER's dedication to supporting employees facing personal or health challenges is evident. The company organises several well-being initiatives, such as blood donation drives, reinforcing its culture of community engagement and support.

UNSDG



GRI

403 – 2

Prioritising employee health and well-being through comprehensive medical initiatives

We believe that a healthy workforce is the foundation of a productive and engaged organisation. In line with our commitment to employee wellness, we partnered with leading healthcare providers to deliver a series of comprehensive medical campaigns in 2024, offering accessible health services to our employees.

On 27 June 2024, in collaboration with Saudi German Hospital, we conducted a medical campaign that provided medical consultations, blood tests, body composition analysis, skin analysis, dental consultations, and laser therapy consultations. This initiative enabled employees to gain valuable health insights and take proactive steps toward maintaining their well-being.

Further strengthening our health initiatives, we launched the EMPOWER Health and Well-being Campaign on 25 July 2024, in partnership with Neuron Insurance. This campaign provided employees with medical consultations, blood tests, and InBody body composition analysis, ensuring they had access to preventative health measures and essential medical support.

Empowering Emirati women

In honour of Emirati Women's Day (28 August), we distributed appreciation gifts to our female Emirati employees and conducted special communication campaign among public acknowledging their dedication, leadership, and impact both in the District Cooling industry and the broader community.

This initiative reinforced our commitment to gender equity, strengthening employee engagement and recognition while celebrating the vital role of women in driving workplace success. By fostering an inclusive and supportive work environment, EMPOWER continues to ensure that women thrive as leaders, innovators, and changemakers within our organisation.

Prioritising employee well-being through holistic wellness initiatives

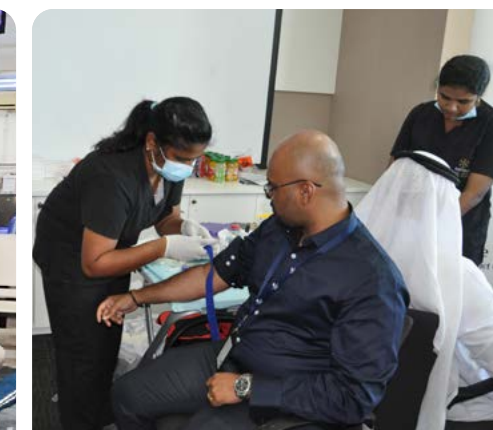
Employee well-being is fundamental to a productive and engaged workforce. As part of our commitment to fostering a healthy workplace, we introduced several wellness initiatives in 2024 aimed at promoting physical, mental, and emotional well-being.

On 15 February 2024, in collaboration with Quironsalud Clinic, we organised a free health check-up at our headquarters, offering dental, physiotherapy, and ophthalmology consultations. This initiative provided employees with accessible healthcare services, reinforcing our commitment to their long-term well-being.

To support mental and emotional health, we launched the Smart Relaxation Initiative in collaboration with Smart Life. This 13-week

program offers guided yoga, meditation, and stress management activities, encouraging employees to integrate relaxation techniques into their daily routines. Within the first two weeks, over 21 employees participated, demonstrating a growing focus on mental wellness.

Additionally, on 20 March 2024, we celebrated the International Day of Happiness by circulating personalised electronic messages across the organisation. These messages served as reminders of the importance of mental well-being and encouraged employees to foster a positive work environment.



Expanding on these efforts, our collaboration with Enfield Royal Clinics on 11 September 2024 saw participation from over 60 employees across multiple departments. This medical camp provided comprehensive health screenings, reinforcing our commitment to fostering a proactive healthcare culture within the organisation.

In addition to physical health, EMPOWER also recognises the importance of social responsibility and community engagement. On 16 October 2024, we hosted a Tote Bag Workshop in support of breast cancer awareness. Twelve female employees participated in this creative initiative, decorating tote bags as a symbol of solidarity with breast cancer patients. This event not only raised awareness but also fostered teamwork and a shared commitment to supporting those affected by the disease.



Compensation and benefits

EMPOWER is committed to providing fair and competitive compensation that aligns with its core values and performance-driven culture. The Company's compensation strategy emphasises equal opportunities in recruitment, training, and promotion, reflecting a strong commitment to gender pay equity and inclusivity. The bonuses for 2024 and any salary increments for 2025 will be considered by the NR and ESG Committee and approved by the Board in H1 2025. The total salaries and allowances paid for 2024 including bonus for 2023 to the senior management of the Company is AED 25,433,892. Designed to be transparent and ethical, EMPOWER's compensation policies aim to incentivise high performance and foster behaviours that align with the Company's strategic objectives.

Fostering Positive Employee Relations

EMPOWER prioritises open and transparent communication to foster strong employee relationships and create a supportive workplace environment. The Company employs diverse communication channels to ensure employees stay informed and engaged, creating a connected and inclusive culture.

The Messenger: Fostering Unity Through Communication

A cornerstone of internal communication for 14 years, The Messenger has played a vital role in keeping employees informed about company updates and achievements. More than a newsletter, it serves as a platform for sharing success stories, celebrating milestones, and promoting collaboration across departments. By connecting teams and functions, The Messenger strengthens communication and fosters a sense of unity within our organisation, ensuring employees remain aligned with EMPOWER's goals and values.

Direct Engagement and Digital Connectivity

In addition to The Messenger, direct interactions between the CEO and employees provide opportunities for real-time feedback and actionable suggestions, fostering a culture of openness and transparency. EMPOWER also utilises digital platforms to facilitate seamless communication and idea-sharing, enabling teams to collaborate effectively across locations.

Furthermore, to ensure continuous improvement, EMPOWER actively gathers employee feedback through engagement and satisfaction surveys, providing valuable insights into workplace sentiment and the overall employee experience. Exit interviews are also conducted to understand the reasons behind employee departures, allowing the company to refine its policies and enhance the work environment.

EMPOWER strengthens Employee-Customer partnerships

In line with its commitment to fostering strong employee-customer relationships, EMPOWER launched its 2024 Summer Campaign to educate customers about the importance of energy conservation and the benefits of efficient district cooling. As temperatures rose, the world's largest district cooling services provider called on its customers in Dubai to use cooling energy responsibly to reduce both consumption and bills.

"Consumers may not always realise the importance of conserving energy," stated Ahmad bin Shafar, CEO of EMPOWER. The campaign provided educational messages highlighting the high cost of producing and delivering energy affordably and outlined simple, actionable tips to ensure customers could enjoy sustainable cooling during the hot summer months. These tips included setting air conditioning thermostats to 24°C on Auto mode, keeping air filters clean, sealing

windows and doors, and reducing heat sources indoors.

The campaign emphasised EMPOWER's role not just as a service provider, but as a partner in building a culture of responsible energy use. Through direct communication with customers, EMPOWER encouraged them to become active participants in resource conservation efforts, benefiting themselves, the community, and the environment. These efforts align with Dubai's strategic directives to reduce energy consumption and position the emirate as a global hub for green economy and sustainability by 2050.

Employee Recognition and Collective Bargaining

EMPOWER values its employees' contributions and achievements, fostering a positive and inclusive workplace through dedicated recognition programmes. The company hosts an annual recognition gala to celebrate employee milestones and accomplishments, reinforcing a culture of appreciation and motivation. Additionally, EMPOWER acknowledges personal milestones and cultural events, fostering a sense of belonging and camaraderie among its workforce.



Social & Relationship Capital

Strengthening Networks to Power the Future of Cooling

UNSDG:



Strategic Pillars:



Business Model Elements:



Material Issue Surveyed

5, 6, 7, 10, 20

GRI

102-13, 102-16, 103-2, 203-2, 205, 301, 302, 303, 406, 408, 409, 412

Social and relationship capital is integral to our long-term success. As the world's largest district cooling services provider, we are committed to fostering strong, ethical, and sustainable relationships with our stakeholders—including customers, employees, suppliers, government entities, and the communities we serve. Through responsible business practices and stakeholder engagement, we drive positive social impact, environmental stewardship, and long-term value creation.

This commitment is embedded in our strategic pillar of **“Community Empowerment and Social Responsibility”**, aligning with our materiality assessment process and broader sustainability goals. By integrating social responsibility into our operations, we not only enhance our reputation but also contribute to the well-being of society while delivering energy-efficient district cooling solutions.

We believe that active stakeholder engagement is essential to ensuring our operations remain transparent, ethical, and aligned with societal expectations. Our engagement strategy fosters trust, collaboration, and mutual growth, helping us address stakeholder concerns while advancing sustainability and innovation.

Through ongoing dialogue with customers, employees, regulators, suppliers, and communities, we gain valuable insights that shape our service enhancements, environmental initiatives, and corporate governance frameworks. By maintaining open channels of communication, we create shared value and long-term impact across our stakeholder ecosystem.



EMPOWER's Stakeholder Engagement: A Strategic Approach to Shared Success

Stakeholder Group	Engagement Methods	Key Focus Areas	Our Commitment & Actions
Employees	Leadership programmes, direct communication, engagement surveys, senior-led meetings, recognition, learning and development programmes, community engagement programmes, healthcare support programmes, innovation forums, digital platforms and performance reviews.	Employee well-being, diversity and inclusion, career progression, workplace safety, innovation, and sustainable practices.	We foster an inclusive, safe, and growth-oriented work environment where employees feel valued and empowered. Through tailored learning programmes, we drive professional development, enhance digital skills, and promote leadership pathways. Our commitment to health and safety remains paramount, supported by robust well-being initiatives and a culture of open communication and innovation.
Customers	Digital platforms, Smart Channels, Service Centres, feedback surveys, Educational programmes, customer service enhancements, forums and conferences, social media interactions, grievance resolution mechanisms, and customer engagement programmes.	Service excellence, digital innovation, energy-efficient cooling solutions, customer satisfaction, and transparency.	We prioritise a seamless customer experience by continuously refining our digital platforms and service channels. Customer insights shape our eco-efficient solutions, ensuring sustainable and cost-effective cooling services. By fostering proactive engagement, we strengthen trust, responsiveness, and long-term partnerships.
Regulators	Regular meetings, regulatory assessments, compliance audits, senior management engagements, and participation in sustainability and energy efficiency initiatives.	Compliance, sustainability leadership, technological innovation, and regulatory collaboration.	We proactively align with regulatory expectations, integrating advanced compliance frameworks and risk management tools. Our focus on energy efficiency and innovation ensures that we stay ahead of evolving industry regulations while contributing to national and global sustainability goals.
Shareholders & Investors	Annual General Meetings (AGMs), earnings calls, direct investor communication, sustainability disclosures, and digital platforms.	Long-term value creation, financial performance, sustainability strategy, and governance.	We maintain transparent and continuous engagement with investors, delivering comprehensive financial and ESG disclosures. Our digital-first approach enhances real-time accessibility to corporate updates, reinforcing confidence in our strategic vision and governance standards.
Society	Community programmes, educational partnerships, environmental initiatives, philanthropic investments, volunteer activities, and social impact collaborations.	Workforce diversity, gender equality, community empowerment, and environmental stewardship.	We actively support social development through initiatives that promote gender equality, skills development, and environmental responsibility. Our partnerships with local and global organisations help drive meaningful change, creating a positive societal impact beyond our core business.

Strategic partnerships as a catalyst for sustainable growth: EMPOWER's recognition by Moro Hub

Corporate resilience and long-term value creation now depend as much on strategic partnerships as they do on financial strength or operational efficiency. On 31 October 2024, EMPOWER was recognised by Moro Hub for its success in reducing carbon emissions by 42,415.92 kilograms over three years, a milestone achieved through the integration of Moro's Green Data Centres into its operations. While the environmental impact is significant, this recognition highlights a broader and more crucial message: collaboration is an integral avenue for organisations seeking to create meaningful, scalable change.

By forging alliances with technology and sustainability leaders, EMPOWER has demonstrated that innovation does not occur in isolation. The district cooling sector, already known for its energy efficiency, has been further optimised through partnerships that extend beyond its immediate industry. In working with Moro Hub, EMPOWER has leveraged cutting-edge digital infrastructure to enhance operational sustainability, reinforcing the idea that relationship capital is a core asset in today's business landscape.

This recognition also underscores a shift in the way sustainability is measured and communicated. Investors, regulators, and consumers increasingly demand quantifiable results, and EMPOWER's ability to attribute a 42,415.92-kilogram reduction in carbon emissions to its

collaboration with Moro Hub demonstrates the power of strategic alliances in achieving tangible impact. As environmental and social governance (ESG) expectations continue to shape corporate priorities, businesses that invest in relationship capital will find themselves better positioned to navigate evolving challenges.

EMPOWER's success serves as a blueprint for the future of corporate sustainability—where innovation thrives not in silos but through cross-sector collaboration, shared expertise, and a commitment to collective progress. As urbanisation accelerates and climate challenges intensify, partnerships like these will define not only the trajectory of sustainable infrastructure but also the resilience of the businesses leading the change.



EMPOWER's collaboration with Moro Hub reduced **42,415.92 kilograms** of carbon emissions over three years, demonstrating the power of partnerships in achieving meaningful environmental impact.

Empowering customers through innovation and sustainability

Our customers are at the core of everything we do. With 143,000+ customers and a 1.57 million RT connected capacity, we are not just providing district cooling solutions—we are reshaping the future of sustainable cooling. Our commitment to long-term partnerships, exceptional service, data security, and digital transformation ensures we continue to meet the evolving needs of our diverse customer base while advancing global sustainability goals.

In 2024, we further embraced digital transformation to enhance customer experience and operational efficiency. Digital transactions from new customers rose by 10.6% compared to 2023. Additionally, 888,860 bill payments were processed through our digital payment channels and strategic banking partners, reflecting a 10% increase year-over-year. These advancements streamline customer interactions and reinforce our position as a leader in digital service delivery within the district cooling sector.

Building enduring partnerships for sustainable growth

(GRI 102-9, 102-10, 102-44)

For the full financial year 2024, we signed 120 new agreements, adding over 96K RT to our total contracted capacity. This steady growth underscores our ability to meet rising market demand while securing long-term commitments from key stakeholders. Our partnerships extend across master developers, building owners, corporate clients, and individual consumers, each benefiting from tailored district cooling solutions that enhance efficiency and reduce environmental impact. Through strategic expansion, our total connected capacity has reached 1.57 million RT, solidifying our position as the world's largest district cooling provider. These long-term agreements provide stability, predictability, and sustainable energy solutions, reinforcing our commitment to efficiency, innovation, and decarbonization.

A diverse customer base with tailored cooling solutions

(GRI 102-6, 102-9)

With cooling solutions deployed across residential, commercial, hospitality, healthcare, retail, education, and entertainment sectors, we serve a dynamic and growing customer base. Our approach is not one-size-fits-all; rather, we customise our district cooling services to align with the specific needs of different sectors. Master developers rely on us for large-scale cooling infrastructure, ensuring long-term sustainability and operational efficiency for entire communities. Building owners, including those in mixed-use developments, benefit from our cost-effective, energy-efficient solutions. Corporate clients turn to EMPOWER to meet ESG goals, reduce energy costs, and enhance operational sustainability. For individual consumers, we prioritise education and transparency, helping them optimise energy consumption through detailed insights provided by our smart metering systems, while ensuring fair and accessible billing practices. By maintaining a well-diversified customer base, we strengthen our resilience and continue to drive widespread adoption of energy-efficient cooling solutions.

Enhancing customer satisfaction through service excellence

(GRI 102-44, 416-1)

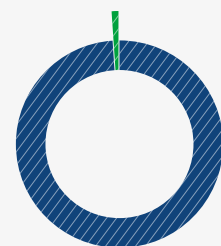
Customer demand for efficient cooling continues to grow, reflected in our 11% increase in electronic registrations in 2024 compared to 2023. The preference for seamless, digital-first interactions demonstrates the success of our strategy in enhancing accessibility and convenience. Our commitment to customer engagement and service innovation has resulted in consistent growth, with an expanding customer base that surpassed 143,000 users by the closing for financial year 2024. To maintain service excellence, we actively gather feedback and implement continuous improvements. Customer and consultant meetings allow us to understand evolving expectations, address concerns, and introduce new service enhancements. This direct engagement fosters trust, transparency, and stronger relationships, ensuring that every customer interaction reflects our commitment to excellence. Additionally, in 2024, we approved 42,735 applications for NOCs—a 22% increase compared to 2023. NOCs are critical for enabling building owners, consultants, and contractors to carry out projects within our jurisdiction without delays, violations, or fines. By simplifying these processes, we aim to enhance business productivity, reduces administrative hurdles, and reinforces its role as an enabler of urban development.

How was your service experience?



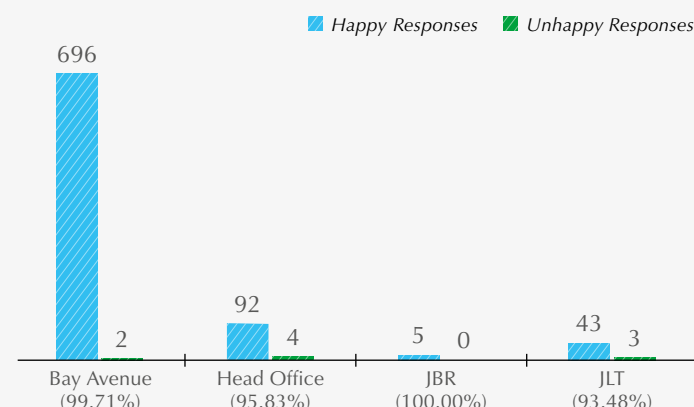
We achieved a Happiness Index of 97.26% out of 845 responses

Customer Happiness Distribution Vs. Threshold

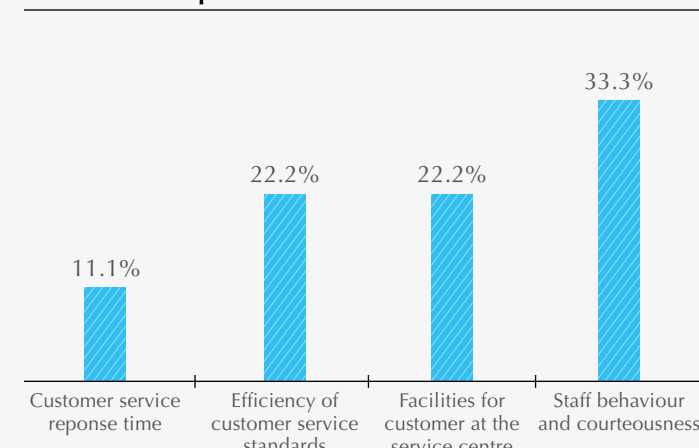


● 98.9% Happy Responses
● 1.1% Unhappy Responses

Happiness analysis at our Top % Branches:



Customer Happiness Category Answers What can we improve?



Leading in Data Security and Customer Privacy

(GRI 418-1, 103-2)

EMPOWER operates in full compliance with the Government of Dubai's Information Security Regulations, reinforcing our commitment to protecting customer data. Our certification reflects industry-leading standards in information security management, underscored by EMPOWER's recent upgrade to the ISO 27001:2022 standard—the latest international benchmark for information security. This upgrade reinforces our commitment to safeguarding stakeholder and customer data, protecting intellectual property, and securing critical operational systems. Our approach to cybersecurity is proactive and risk-driven, with stringent measures in place to mitigate potential threats and uphold the highest levels of data privacy. While no substantiated complaints regarding customer privacy breaches have been reported, we remain vigilant in strengthening our security protocols and continuously enhancing our data governance framework.



EMPOWER processed 888,860 digital bill payments in 2024, reflecting a 10% year-over-year increase, as it enhances accessibility and service excellence through innovative digital platforms.

Shaping the future of customer-centric cooling

With sustainability, innovation, and customer experience at the core of our operations, we are shaping the future of district cooling. By leveraging digital transformation, long-term partnerships, and cutting-edge security measures, we continue to deliver world-class cooling solutions while reinforcing our role as a trusted, responsible, and forward-thinking industry leader.

Driving positive social impact through responsible cooling

As a leader in sustainable cooling, we prioritise environmental responsibility and community well-being. Our district cooling solutions contribute to lower energy consumption, reduced carbon emissions, and the conservation of natural resources, ultimately enhancing the quality of life for businesses and residents alike. Beyond our core services, we actively promote environmental awareness and sustainable practices among our customers. By educating and empowering consumers, we foster a culture of responsible energy use that supports the broader transition to a low-carbon economy. Our commitment extends to national development initiatives, where we actively support community-driven projects. Additionally, our participation in global sustainability initiatives underscores our role as a responsible corporate citizen, dedicated to shaping a greener, more resilient future.

AED **743,391**

Amount of financial or in-kind contributions to community initiatives

UNSDG



GRI

413-1

UNSDG



GRI

413-1

UNSDG



GRI

405-1

Empowering communities through active engagement

At EMPOWER, community engagement is an integral part of our sustainability strategy, reinforcing our commitment to social responsibility beyond district cooling services. By fostering meaningful relationships with local communities, we actively contribute to environmental sustainability, education, and social development. Our initiatives align with global sustainability frameworks, including the United Nations Sustainable Development Goals (SDGs) and GRI 413 (Local Communities), ensuring that we create lasting, positive impacts where we operate.

Driving sustainability through community-centric initiatives

As a leader in district cooling, we recognise the importance of promoting sustainable consumption and energy efficiency. Through initiatives like “Set at 24°C & Save,” we encourage customers to adopt responsible cooling habits, reducing both energy consumption and carbon emissions. This campaign supports the UAE’s Green Economy for Sustainable Development initiative, reinforcing our dedication to environmental stewardship. Our partnerships play a crucial role in advancing sustainability. By collaborating with Moro Hub, we have successfully reduced 42,415.92 kilograms of carbon emissions over three years through the use of green data centres. (See our case study on this project in this chapter for more information.) Additionally, our upcoming partnership with ASHRAE aims to develop a unified global standard for district cooling, ensuring that our industry continues to evolve in alignment with best practices for sustainability and efficiency.

Investing in education and knowledge sharing

Education is at the core of our community engagement efforts. By hosting technical study tours for local and international delegates, we share our expertise in district cooling, contributing to global knowledge exchange and innovation in sustainable cooling solutions. Our initiatives also extend to raising awareness about climate change and resource conservation, ensuring that both customers and industry professionals are equipped with the knowledge to make informed energy decisions. We also strengthen industry collaboration through sponsorships and participation in regional and global forums such as the International District Energy Association (IDEA) and WETEX . By engaging with key stakeholders on a global scale, we drive thought leadership and best practices in district cooling and sustainable infrastructure development.

Strengthening economic growth through Emiratization and inclusion

As a company deeply invested in the UAE’s economic development, we actively support Emiratization programmes by attracting and developing local talent in the district cooling sector. Our commitment to workforce diversity also extends to empowering women in the industry, ensuring greater inclusion and equal opportunities in line with SDG 5 (Gender Equality). By fostering a workplace that prioritises professional growth and inclusivity, we contribute to the broader goal of sustainable economic development and job creation, strengthening both our organisation and the communities we serve.

Measuring our impact on community well-being

Our expanding customer base of over 143,000 users in financial year 2024 highlights the growing trust in our energy-efficient cooling solutions. Digital transformation is also driving greater accessibility, with a 11% increase in the online transactions in 2024 compared 2023, performed by our customers using channels of EMPOWER and its strategic banking and financial partners totaled 27,860 transactions, reflecting a shift toward seamless, customer-centric service models.

Beyond customer growth, we continue to champion environmental conservation by ensuring district cooling systems consume up to 50% less electricity than conventional cooling solutions. These efficiencies contribute directly to reducing overall energy demand, lowering emissions, and supporting national resource conservation efforts.

Shaping a greener tomorrow through responsible business

Our commitment to community well-being and sustainable infrastructure development extends beyond compliance to proactive engagement and innovation. As we work toward a low-carbon future, we actively assess and mitigate any potential environmental impacts associated with our operations. Although our activities do not present significant risks to local communities, we continuously implement measures to enhance environmental performance and resource conservation. Our engagement in policy discussions, industry collaborations, and sustainability initiatives ensures that we remain at the forefront of responsible district cooling development. Through transparency, stakeholder collaboration, and ethical business conduct, we reinforce our role as a sustainability leader in urban cooling solutions. By embedding community engagement into our core strategy, we are not only reducing carbon footprints but also building stronger, more resilient communities for generations to come.

UNSDG



GRI

413-1, 302-4

UNSDG



GRI

307-1, 302-4



Natural Capital

The Strategic Value of Natural Resources in District Cooling

At EMPOWER, our natural capital is not just a resource; it's the foundation upon which our business operates and grows. As the world's largest district cooling services provider, our operations are deeply intertwined with the environment—relying on energy, water, and materials while contributing to urban sustainability and climate resilience. Our approach to managing natural capital reflects a commitment to responsible resource consumption, environmental protection, and long-term sustainability.

UNSDG:



Strategic Pillars:



Business Model Elements:



Material Issue Surveyed

1, 3, 16

GRI

302, 303, 304, 305, 306

Energy efficiency and climate action at EMPOWER

(GRI 302, 305)

Optimising energy performance in district cooling

At EMPOWER, energy efficiency is more than an operational objective—it's a strategic imperative that supports both environmental sustainability and long-term business resilience. As a leader in the district cooling industry, our systems inherently offer up to 50% energy savings compared to traditional cooling methods. However, we aim to exceed this baseline through continuous improvements and innovative technologies.

How We Measure Success

1,033,240

Tonnes of CO₂ emissions mitigated in 2024

405,989 kWh

Total solar energy production in 2024

Electrical Efficiency

In 2024, EMPOWER achieved an impressive electrical efficiency, reflecting significant optimisation across our district cooling plants (excluding Dubai International Airport DC plants). This metric measures the energy consumed per ton of refrigeration hour (TRh), showcasing our commitment to minimising energy use while maintaining service excellence. The electrical efficiency is calculated using the formula $\text{Electrical Efficiency} = \text{Electrical Consumption (kWh)} \div \text{Cooling Energy Output (TRh)}$. Conventional air conditioning systems typically consume between 1.4 kW to 1.8 kW per RT, whereas EMPOWER's district cooling systems achieve superior efficiency, using only 0.9 kW to 1.0 kW per RT. This industry-leading performance not only highlights our commitment to sustainable operations but also delivers consistent energy savings year after year, reinforcing our leadership in efficient and eco-friendly cooling solutions.

Carbon Emissions Reduction

Through a combination of energy-saving initiatives and operational optimisations, EMPOWER successfully mitigated 1,033,240 tonnes of CO₂ emissions in 2024. This figure represents reductions achieved through efficiency improvements, renewable energy adoption, and reduced reliance on grid-based power.

These achievements directly support our alignment with the UAE Net Zero by 2050 Strategic Initiative, and Dubai's Energy initiatives, reinforcing our role as a climate-conscious urban infrastructure provider.



Strategic initiatives

EMPOWER's energy strategy represents a strategic shift towards integrated energy management, where efficiency, renewable energy adoption, and smart technologies converge to create a resilient and sustainable operational framework. Our work with Variable Speed Drives (VSDs), solar PV systems, and Thermal Energy Storage (TES) reflects an ongoing transformation that aligns not only with corporate goals but also with broader national priorities, including the UAE Net Zero by 2050 Vision and Dubai's Integrated Energy Strategy.

Moreover, the benefits of these projects extend beyond environmental impact. By lowering operational costs through energy efficiency and peak load management, we enhance our competitiveness and operational stability, even in a resource-constrained world. This reinforces EMPOWER's role as a key player in shaping the future of urban energy ecosystems, where sustainability is embedded into the fabric of city infrastructure, ensuring a cleaner, more resilient environment for future generations.

Powering efficiency – the Variable Speed Drive (VSD) upgrade

To optimise energy consumption, EMPOWER undertook a major retrofit project in 2024, upgrading chiller systems at key facilities such as Business Bay 02 and Al Barari Development District Cooling Plants with Variable Speed Drives (VSDs). Unlike traditional systems that operate at a constant speed regardless of cooling demand, VSDs adjust the motor speed to match real-time load requirements.

This VSD program demonstrates how targeted technological upgrades can lead to substantial environmental benefits while delivering measurable cost efficiencies. Its success has laid the groundwork for expanding this technology across EMPOWER's entire network.

Impact:

- » **Carbon Reduction:** Contributed to a reduction of approximately 120,000 tonnes of CO₂ annually.
- » **Operational Efficiency:** Enhanced system responsiveness and reduced wear-and-tear, lowering maintenance costs.

Harvesting the sun – Solar PV deployment in District Cooling plants

As part of our renewable energy strategy, EMPOWER installed solar Photovoltaic (PV) systems at key sites, including the BB-05 and TECOM C (BH) District Cooling Plants and EMPOWER Staff Accommodation facility, in 2024. These installations reduce our dependency on traditional energy sources, directly contributing to emissions reductions.

Apart from highlighting our transition from energy efficiency to energy independence, this installation demonstrates the advantage of leveraging renewables as a compliance measure as well as a core operational asset. The success of these solar projects underscores the potential for scalable renewable integration in the district cooling industry.

Impact:

- » **GHG Emissions Reduction:** Offset around 2,900 tonnes of CO₂ per year.
- » Reduced reliance on grid electricity.

Cooling smarter – Expanding Thermal Energy Storage (TES) capacity

Thermal Energy Storage (TES) systems play a pivotal role in EMPOWER's energy management strategy. In 2024, we expanded TES capacity across several plants to store chilled water during off-peak hours and reduce energy demand during peak load periods.

TES technology allows EMPOWER to operate more flexibly and sustainably, demonstrating that intelligent energy management can achieve both environmental and economic wins. It also enhances grid stability, aligning with national energy resilience goals.

Impact:

- » **Peak Load Reduction:** Reduced peak energy demand by up to 40%, easing pressure on the grid.
- » **Environmental Benefit:** Contributed to an additional 90,000 tonnes of CO₂ reduction annually.

Maximising efficiency and minimising impact through water stewardship

(GRI 303)

Optimising Water Use in District Cooling

Water is a critical resource in district cooling, and its sustainable management is essential for both environmental conservation and long-term operational resilience. Given the scarcity of freshwater in arid regions, EMPOWER has prioritised the use of Treated Sewage Effluent (TSE), reducing reliance on freshwater while maintaining system efficiency. This approach aligns with UAE Vision 2050, Dubai

21,359 m³/day

Total RO plant capacity in 2024

8.3%

Recycled Water usage in 2024

Demand Side Management Strategy 2030, and the Sustainable Development Goals (SDG 6: Clean Water and Sanitation, SDG 12: Responsible Consumption and Production).

- » **Recycled Water Usage:** Reduced to 8.3% of total consumption, down from 13.1% in 2023 (due to a reduced volume of TSE supply and poor quality following the heavy rain incident in April 2024), marking significant progress in shifting towards alternative water sources.
- » **Reverse Osmosis (RO) Capacity:** Expanded from 16,434 m³/day in 2023 to 21,359 m³/day in 2024, enhancing water recycling and treatment capabilities.

How We Measure
Success

Strategic Water Initiatives Driving Sustainability

Reducing Freshwater Dependence through Innovative Practices

EMPOWER has adopted Treated Sewage Effluent (TSE) as a water source, reducing strain on freshwater reserves while maintaining cooling efficiency. Using TSE as an alternative to potable water, combined with advanced filtration and recycling systems, has significantly improved our water footprint.

By closing the water loop and utilising recycled wastewater, EMPOWER is setting an industry benchmark for sustainable water management.

This initiative is scalable across the district cooling sector, demonstrating how infrastructure-heavy industries can transition towards circular water systems.

Impact:

- » **Energy Reduction:** Decreased the energy footprint of water treatment processes by 15%, as TSE requires less intensive processing than desalinated water.

Leveraging Machine Learning for Energy Efficiency

EMPOWER developed and implemented a Machine Learning Algorithm to enhance plant performance and optimise energy use in district cooling operations. The initiative aimed to leverage data-driven insights to monitor, predict, and adjust system performance, ensuring peak efficiency across operations. Furthermore, this initiative supports EMPOWER's efforts to reduce its environmental footprint by minimising energy usage and lowering carbon emissions. It exemplifies how technological innovation can drive sustainable outcomes, positioning EMPOWER as a leader in efficient and eco-friendly district cooling solutions.

Impact:

- » The Machine Learning model is expected to deliver up to 8% energy savings in district cooling operations.
- » This advancement significantly reduces electricity consumption, further enhancing EMPOWER's commitment to sustainability and resource conservation.

Purifying Efficiency – Expanding Reverse Osmosis (RO) Capacity

Reverse Osmosis (RO) is a key component of EMPOWER's water treatment strategy, enabling us to filter and reuse water while reducing waste. In 2024, we expanded our RO treatment capacity by 30%, ensuring greater water recycling efficiency across our district cooling plants.

The expansion of RO capacity strengthens EMPOWER's long-term water security strategy, reducing operational risks while contributing to national water conservation targets. By treating and recycling more water, we are pioneering a closed-loop approach in the district cooling sector.

Impact:

- » **Water Recovery:** Processed and reused 21,359 m³/day of water, reducing demand for external water supplies.
- » **Energy Efficiency:** Improved filtration system efficiency, cutting energy use per unit of treated water.
- » **Operational Reliability:** Reduced exposure to freshwater supply fluctuations by diversifying water sources.

Advancing the Circular Economy through waste management

(GRI 306)

Managing Waste for Environmental and Operational Efficiency

As part of our commitment to sustainable urban infrastructure, EMPOWER continuously seeks to minimise waste generation and maximise resource recovery. In 2024, we focused on increasing recycling rates, reducing landfill dependency, and enhancing hazardous waste management.



How We Measure

Success

14,231.10_{kg}

Recycled waste in 2024 (3.07% of total waste)

In 2024, EMPOWER generated 463,231.10 kg of waste, with a focus on reducing landfill dependency and increasing recycling rates.

Waste Performance:

- » **Recycled Waste:** 14,231.10 kg (3.07% of total waste), a substantial increase from 2,800 kg in 2023.

- » **Landfilled Waste:** 449,000 kg (96.93% of total waste).
- » **Hazardous Waste:** 45,000 kg, handled under strict environmental compliance protocols.



Strategic initiatives: Transforming Waste into Opportunity

Turning Waste into Value – Recycling Partnerships for Impact

EMPOWER has forged strategic partnerships with Emirates Environmental Group and Yes Full Circle to enhance recycling efficiency and divert waste from landfills. These collaborations have facilitated the responsible disposal of e-waste, toner cartridges, and hazardous materials, ensuring compliance with environmental best practices.

By working with specialist recycling partners, EMPOWER has created a scalable waste diversion model that can be replicated across the district cooling sector. This initiative proves that waste is not just an environmental challenge but an economic opportunity when managed correctly.

Impact:

- » **Waste Diversion:** Increased total recycled waste by 11,431 kg year-on-year.
- » **E-Waste Management:** Implemented specialised processing for electronic waste, batteries, and hazardous materials.
- » **Circular Economy Contribution:** Integrated recovered materials into secondary markets, reducing the need for virgin raw materials.

Zero Harm – Strengthening Hazardous Waste Compliance

Managing 45,000 kg of hazardous waste safely requires precision and strict adherence to environmental regulations. In 2024, EMPOWER introduced enhanced hazardous waste tracking systems, ensuring full compliance with government and international safety standards.

By prioritising waste compliance and safety, EMPOWER is reducing environmental liability while reinforcing a culture of responsibility. This initiative serves as a blueprint for hazardous waste management in highly regulated industries.

Impact:

- » **Regulatory Compliance:** Achieved 100% compliance with hazardous waste disposal regulations.
- » **Risk Reduction:** Eliminated contamination risks through controlled disposal practices.
- » **Operational Safety:** Improved hazardous material handling across all district cooling plan.

Reinforcing Biodiversity and Climate Resilience

Beyond reducing energy and water consumption, EMPOWER recognises the interconnection between urban infrastructure and natural ecosystems. As part of our commitment to environmental stewardship, we actively contribute to biodiversity restoration and carbon sequestration efforts. Our initiatives align with UAE Vision 2050, the United Nations Sustainable Development Goals (SDG 13: Climate Action, SDG 15: Life on Land), and GRI 304 guidelines on biodiversity management.

Restoring Ecosystems through the “For Our Emirates We Plant” Initiative

Urban expansion and industrial growth have placed immense pressure on natural ecosystems in the UAE. To counterbalance this impact, EMPOWER participated in the “For Our Emirates We Plant” initiative in collaboration with the Emirates Environmental Group (EEG), reinforcing its commitment to biodiversity conservation and carbon neutrality. The project involved the planting of 3,884 native trees in designated protected areas, restoring local habitats and enhancing carbon sequestration.

This initiative demonstrates that urban cooling providers can extend their sustainability commitments beyond operations by directly investing in environmental regeneration. By planting trees in protected ecological zones, EMPOWER is not just offsetting emissions but actively contributing to long-term ecosystem health and climate resilience.

Impact:

- » **Carbon Sequestration:** The trees planted will absorb approximately 12,627.69 metric tonnes of CO₂ annually, directly supporting the UAE’s climate action commitments.
- » **Ecosystem Restoration:** By reintroducing native species, EMPOWER is contributing to soil stabilisation, increased groundwater retention, and habitat creation for local wildlife.

How We Measure Success

- » **CO₂ Mitigation:** The “For Our Emirates We Plant” initiative enabled 12,627.69 metric tonnes of CO₂ sequestration annually, contributing directly to climate mitigation efforts.
- » **Biodiversity Enhancement:** EMPOWER supported the restoration of native habitats in protected areas, improving soil health and increasing green cover in UAE’s arid landscape.
- » **Tree Plantation Impact:** A total of 3,884 native trees were planted, ensuring long-term ecological benefits.

- » **Urban Greening:** These efforts improve air quality and temperature regulation, making urban areas more resilient to extreme heat.

Sustainability Initiatives: Leading Through Action

Setting the Standard – EMPOWER’s ESG Label Recognition

Earning the ESG Label from the Dubai Chamber of Commerce in 2024 marked a significant milestone in EMPOWER’s sustainability journey. The label reflects our dedication to ESG best practices, reinforcing our leadership in climate-conscious urban infrastructure.

Securing the ESG Label signifies operational credibility in climate-conscious infrastructure development. As sustainability becomes a business imperative, this validation reinforces EMPOWER’s long-term value creation strategy.

Impact:

- » **ESG Benchmarking:** Strengthened corporate sustainability transparency, aligning with global ESG reporting frameworks.
- » **Industry Leadership:** Positioned EMPOWER as a role model for responsible district cooling operations.
- » **Stakeholder Confidence:** Enhanced trust among investors, regulators, and customers, reinforcing EMPOWER’s reputation for ethical and sustainable business practice.

Driving Change – Car-Free Day and Low-Carbon Mobility

EMPOWER actively participated in Car-Free Day 2024, encouraging employees to opt for public transport, cycling, or walking instead of using personal vehicles. This initiative supported urban sustainability goals and raised awareness about the role of individual choices in collective climate action.

This initiative highlights how corporate-led behavioural shifts can contribute to decarbonisation goals. By promoting sustainable commuting, EMPOWER is demonstrating practical leadership in urban climate action.

Impact:

- » **Emissions Reduction:** Decreased daily carbon emissions per participant, contributing to air quality improvements.
- » **Behavioural Change:** Increased employee engagement in sustainable commuting options, influencing long-term habits.
- » **Public Awareness:** Strengthened internal and external communication on low-carbon mobility.

Shaping Future Leaders – The NextGen District Cooling Experience

On 16 October 2024, EMPOWER hosted students from Zayed University at the Business Bay 3 District Cooling Plant, providing an interactive educational experience on sustainable cooling. This initiative aligned with World Energy Day, fostering knowledge-sharing and industry-academia collaboration.

By educating future leaders, EMPOWER is ensuring that sustainability knowledge is institutionalised and carried forward. This initiative goes beyond corporate responsibility—it is a strategic investment in shaping climate-conscious talent pipelines.

Impact:

- » **Climate Education:** Provided hands-on exposure to energy-efficient cooling technologies.
- » **Skill Development:** Inspired the next generation of sustainability professionals in urban infrastructure.
- » **Knowledge Transfer:** Strengthened partnerships between academia and industry, reinforcing research-driven innovation.



SECTION

05

GOVERNANCE

Our practices

Integrity, Accountability, and Resilience

At EMPOWER, governance is the foundation of our success and sustainability. We are dedicated to maintaining the highest standards of integrity, transparency, and ethical conduct in every aspect of our operations. Our governance practices ensure accountability, protect stakeholder interests, and promote long-term value creation. By embedding robust risk management frameworks and fostering a culture of compliance, we navigate challenges with resilience and agility. Guided by strong leadership and a commitment to sound corporate practices, we continually strengthen trust with our stakeholders, ensuring that EMPOWER remains a responsible and forward-thinking industry leader.

Management Discussion & Analysis



Despite synchronised monetary tightening, the global economy avoided a recession, showing robust performance throughout the disinflationary process.

Growth in emerging markets continued to outpace advanced economies, where tight monetary policies constrained expansion. Advanced economies also grappled with shrinking real GDP growth despite declining inflation, creating challenges for policymakers.

Global headline inflation is projected to decrease from 6.7% in 2023 to 5.8% in 2024 and 4.3% in 2025. Advanced economies are expected to reach their inflation targets sooner than emerging markets. However, elevated services price inflation highlights the need for sector-specific monetary adjustments.

4.3%

Inflation Target for 2025: Global headline inflation is projected to decline to 4.3% by 2025, according to the IMF.

Uncertainties, including geopolitical tensions and potential shifts in U.S. trade policies, pose risks to economic stability. Central bankers are working to normalise interest rates while businesses prepare for potential disruptions. Despite these challenges, cautious optimism persists, with the IMF advising readiness for uncertain times.

UAE Economic Overview

The UAE's economy demonstrated robust growth in 2024, supported by diversification efforts and strong performance across oil and non-oil sectors. According to the IMF, GDP growth is projected at 4.0% in 2024, rising to 5.1% in 2025, reflecting effective economic reforms and foreign investment inflows. Non-oil GDP, now over 70% of the total, continued to drive growth, with notable contributions from manufacturing, trade, construction, and tourism.



3.2%

Global Growth Projected for 2024 and 2025: Global growth is expected to hold steady at 3.2% in both 2024 and 2025, according to the IMF, despite significant challenges faced by low-income developing countries due to increased conflicts.

Global Economic Overview

In 2024, the global economy demonstrated resilience, driven by emerging markets and a rebound in global trade. Inflation began to ease, and central banks initiated balance sheet reductions. Despite synchronised monetary tightening, the global economy avoided a recession, showing robust performance throughout the disinflationary process. According to the IMF, global growth is projected to hold steady at 3.2% in both 2024 and 2025, though low-income developing countries face challenges due to various conflicts.

5.1%

GDP Growth Projected for UAE in 2025: The UAE's GDP is expected to grow by 5.1% in 2025, according to the IMF's latest World Economic Outlook (WEO) Report, driven by foreign investment and effective economic reforms.

5.5%

GDP Growth Projected for UAE in 2026: The UAE's GDP is forecasted to grow by 5.5% in 2026, according to the Central Bank of the United Arab Emirates (CBUAE), reflecting continued economic acceleration.

The Central Bank of the UAE projects growth to accelerate to 4.5% in 2025 and 5.5% in 2026. In Q2 2024, non-oil GDP growth reached 4.8% year-on-year, driven by strategic investments and government policies promoting diversification. Key sectors, including financial services, real estate, and communication, reinforced the country's economic resilience.

Strong foreign direct investment in manufacturing and renewable energy, along with ongoing construction activities, remains pivotal to the UAE's diversification strategy. With a stable economic foundation and a focus on strategic industries, the UAE is well-positioned to sustain growth, navigate global uncertainties, and capitalise on emerging opportunities in the region.



The UNEP-led Cool Coalition promotes energy-efficient, sustainable cooling solutions to combat climate change, as global temperatures rise and the “era of global boiling” begins.

Global Market for District Cooling Services (DCS)

The intensifying effects of climate change have heightened the demand for energy-efficient cooling solutions. The WMO confirms that 2024 was the hottest year on record, with global temperatures about 1.55°C above pre-industrial levels. Highlighting this urgency, UN Secretary-General António Guterres declared, ‘The era of global boiling has arrived.’ To address these challenges, the UNEP-led Cool Coalition promotes sustainable cooling practices, including energy-efficient systems and renewable integration, fostering global collaboration to combat climate change.

USD 48.18 Billion

The Future of District Cooling Market by 2032: The global district cooling market is projected to expand from USD 26.79 billion in 2024 to a remarkable USD 48.18 billion by 2032, reflecting its rapid growth and rising demand.

Exacerbated by heatwaves, population growth, and urbanisation, emissions from cooling are expected to double by 2030 and triple by 2100 if left unchecked. This highlights the urgent need for sustainable solutions as the global district cooling market continues to expand. Valued at USD 26.79 billion in 2024, the market is projected to grow to USD 48.18 billion by 2032, reflecting a CAGR of 7.87%. This growth is fuelled by rising demand for space cooling and supportive energy efficiency policies.

Key Drivers of Growth

- 1. Environmental Awareness and Sustainability:** Growing awareness of environmental protection and the shift toward energy-efficient technologies have positioned district cooling systems as a preferred alternative to traditional air conditioning. These systems offer a sustainable solution for urban cooling, aligning with global initiatives to reduce carbon emissions and promote eco-friendly practices.
- 2. Increasing Urbanisation and Population Growth:** Rapid urbanisation and population growth are significant drivers of the rising demand for cooling solutions. As cities expand and populations grow, the need for scalable, efficient, and environmentally friendly cooling systems becomes crucial to address the challenges of energy consumption and carbon emissions.
- 3. Energy Efficiency:** District cooling systems are significantly more energy-efficient compared to traditional air conditioning systems, resulting in substantial reductions in electricity consumption. These systems reduce energy consumption up to 50%, minimising greenhouse gas emissions and lowering operational costs. The combination of efficiency and sustainability is critical as global electricity demand continues to rise, particularly in rapidly urbanising regions.
- 4. Technological Advancements:** Modern district cooling systems employ advanced technologies and insulated pipe networks to deliver efficient and reliable cooling. Innovations such as AI-driven predictive maintenance reduce downtime and maintenance costs, while real-time monitoring enhances energy optimisation. Demand response management dynamically adjusts cooling output, cutting peak electricity demand by up to 20%. These advancements further enhance the efficiency, sustainability, and cost-effectiveness of district cooling systems.

With urbanisation and climate change accelerating the need for efficient cooling, the district cooling market is poised for substantial growth. Sustainability and energy efficiency will remain central to its expansion, with governments and industries recognising district cooling systems as a critical component of modern, environmentally-friendly infrastructure. As rising global temperatures continue to challenge urban environments, district cooling offers a scalable and effective solution to meet cooling demands sustainably.

70% of Energy

In the Middle East region, space cooling consumes up to 70% of building energy, making it a necessity in the region's harsh climate with limited passive cooling options.

UAE Market for District Cooling Services

The UAE has established itself as a global leader in sustainable development and clean energy, spearheading a range of initiatives to reduce carbon emissions and enhance energy efficiency. Central to these efforts is the UAE Net Zero by 2050 Strategic Initiative, the first such commitment in the Middle East, which aims to achieve net-zero emissions by mid-century. Complementing this vision are several national-level strategies, including the National Energy Strategy 2050, targeting a 50% contribution of clean energy to the energy mix, and the Sustainability Development Goals (SDGs) framework, which aligns national policies with global sustainability objectives. These initiatives underscore the UAE's holistic approach to addressing climate change, fostering innovation, and promoting renewable energy adoption across the nation.

With urbanisation and climate change accelerating the need for efficient cooling, the district cooling market is poised for substantial growth.

Dubai has demonstrated a steadfast commitment to sustainable energy transformation through comprehensive strategies aimed at achieving ambitious environmental goals. The Dubai Clean Energy Strategy 2050 sets a target for producing 75% of energy from clean sources by 2050, complemented by the Dubai Integrated Energy Strategy 2030 (DIES), which aims to secure a sustainable supply of energy and enhance demand efficiency. Notably, Dubai has surpassed interim targets, achieving a 16.1% clean energy mix by the end of 2023, far exceeding the original 7% goal set for 2020.

Guided by the Dubai Supreme Council of Energy, the emirate has implemented the Dubai Integrated Energy Strategy 2030 and the Demand Side Management (DSM) Strategy, targeting annual savings of 30% in electricity and water by 2030. District cooling plays a pivotal role as one of the 12 key pillars of the DSM Strategy, with initiatives such as the District Cooling Operators Association fostering collaboration and innovation in efficient cooling technologies. These strategies, supported by robust infrastructure, legislation, and funding mechanisms, position Dubai as a leader in integrating sustainable cooling systems into its urban framework while contributing significantly to the UAE's broader environmental objectives.

Dubai is a leader in integrating sustainable cooling systems into its urban framework while contributing significantly to the UAE's broader environmental objectives.

Dubai's Journey Toward Sustainability

Robust Macroeconomic Fundamentals:

Dubai's resilient economy, among the fastest growing in the region, is complemented by a steadily increasing population. As of 2024, Dubai's population reached approximately 3.83 million, driven by an influx of foreign professionals and investors attracted by high property returns and diverse residency permits. This marks a rise from the 3.81 million recorded earlier in the year, showcasing Dubai's appeal as a global destination.

Booming Real Estate Sector:

Dubai's real estate sector is experiencing a sustained boom, driven by high demand for luxury properties, increasing foreign investment, and favourable government policies. Over the past 18-24 months, the city has seen record-breaking transactions, supported by visa reforms, a robust economy, and Dubai's appeal as a global hub for living and business. Experts predict that this growth is here to stay, with the emirate continuing to attract high-net-worth individuals and international investors looking to capitalise on its dynamic and resilient market.

The Dubai 2040 Urban Master Plan:

Launched in 2021, this visionary plan aims to make Dubai the best city to live in globally. It emphasises sustainable development by preserving 60% of the land as natural reserves, increasing areas for hotels and tourism by 134%, and targeting a population of 5.8 million by 2040.

Renewable Energy Leadership:

Dubai's government is steadfast in its clean energy goals, targeting 75% renewable energy by 2050, supported by initiatives like the Dubai Green Fund, with a commitment of AED 100 billion. Key projects such as the Mohammed bin Rashid Al Maktoum Solar Park, the world's largest single-site solar park, underscore these efforts.

District Cooling: A Key Contributor:

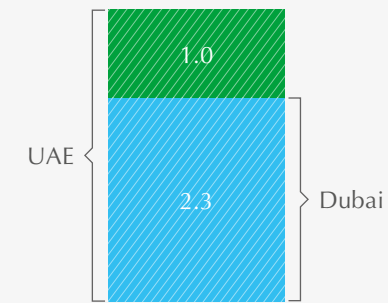
Dubai's district cooling systems (DCS) are integral to its sustainability goals. The Demand Side Management (DSM) Strategy by the Dubai Supreme Council of Energy targets 40% of Dubai's cooling demand to be supplied by DCS by 2030. This initiative is expected to contribute approximately 13% toward electricity savings under the DSM strategy, reinforcing Dubai's commitment to energy efficiency and sustainable urban development.

Tourism and Global Hub Aspirations:

Dubai continues to strengthen its position as a global tourism and living hub. Hosting 400 global events annually by 2025, the city is a magnet for international visitors and expatriates. Recognised as the top travel destination in 2022 and the third most preferred global city to relocate to, Dubai's appeal is further bolstered by innovative visa and residency schemes.

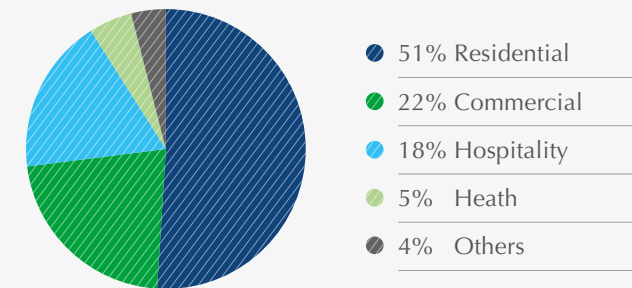
Dubai District Cooling Market by Numbers:

Installed Capacity (RT)



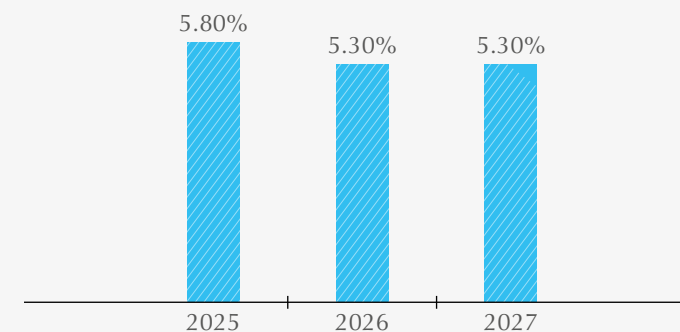
Source: FTI Market Report; DC Pro Analysis

Dubai DC Market Share by Segment (%)



Source: FTI Market Report; DC Pro Analysis

Estimated Cooling Demand Growth in Dubai (%)



Source: FTI Market Report; DC Pro Analysis

Dubai's growth is driven by a resilient economy, booming real estate, and visionary plans like Dubai 2040. With a focus on sustainability, renewable energy, and district cooling, the city is poised to be a global hub, attracting investment, tourism, and residents, while striving for a greener, energy-efficient future.

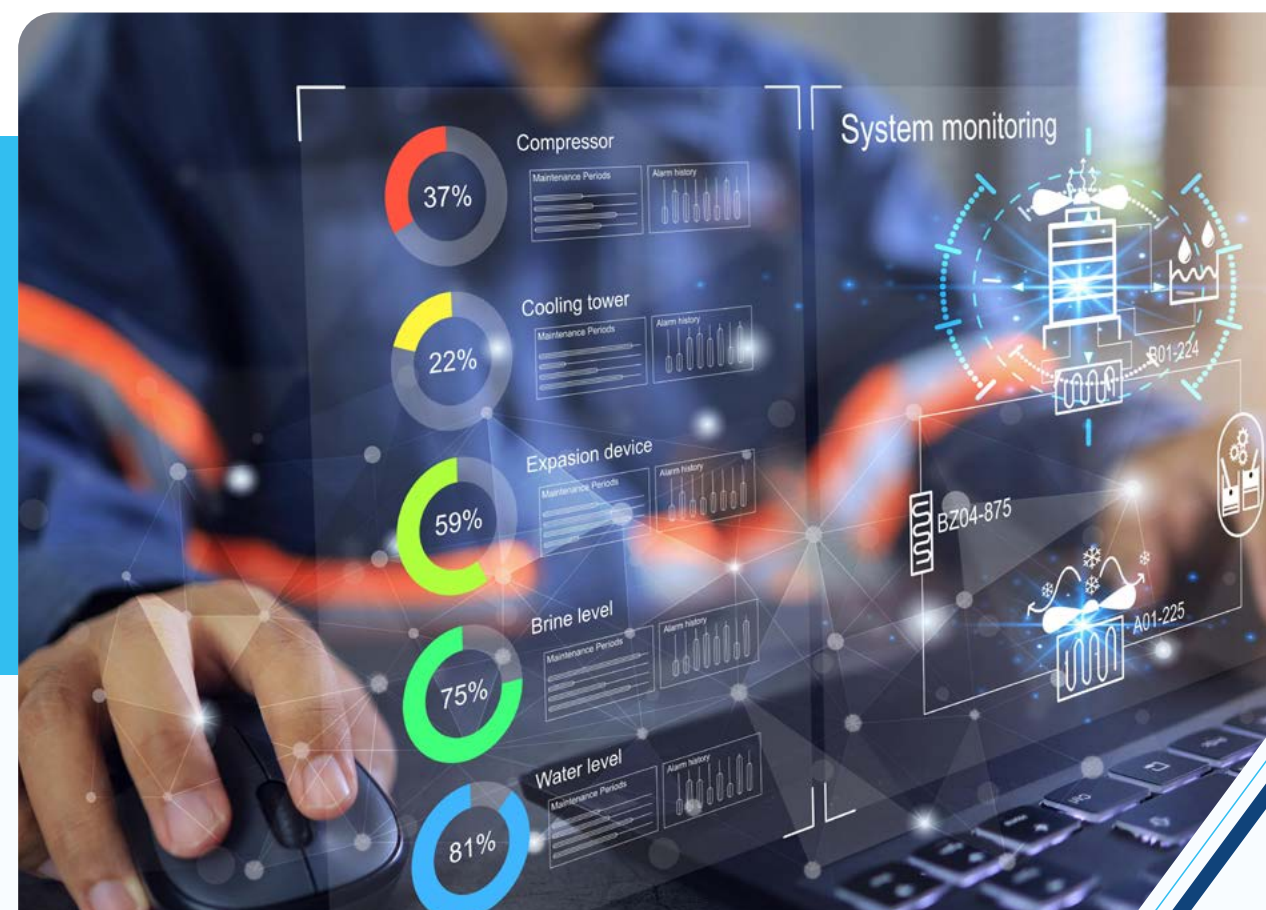
75%

Clean Energy by 2050: Dubai aims to produce 75% of its energy from clean sources by 2050 under the Dubai Clean Energy Strategy.

Company Overview

Emirates Central Cooling Systems Corporation PJSC (EMPOWER) was established on 23 November 2003 pursuant to Dubai Law No. (10) of 2003, as amended by Dubai Law No. (3) of 2010. The Company commenced commercial operations on 15 February 2004, focusing on the implementation of sustainable district cooling technology in the UAE. On 14 October 2022, pursuant to Dubai Law No. (22) of 2022, EMPOWER transitioned into its current form as a public joint stock company (PJSC) to succeed Emirates Central Cooling Systems Corporation. The Company was officially listed on the Dubai Financial Market (DFM) on 15 November 2022, following an IPO that saw 20% of its total issued share capital offered to the public after two successful upsizing announcements.

EMPOWER is backed by two of Dubai's most esteemed entities: Dubai Electricity and Water Authority PJSC (DEWA), holding a 56% stake, and Emirates Power Investment LLC (a subsidiary of Dubai Holding), which owns 24% of the Company. This strong backing provides EMPOWER with robust institutional support, enhancing its growth prospects.



District Cooling Services Provider Rank

#1 in the World,
in terms of Connected Capacity

Contracted Capacity

1.76 Million

Connected Capacity

1.57 Million

Buildings Served

1,637+

District Cooling Plants

88

Customers

143,000+

Reliability (Around the clock availability)

99.94%

Market Share in Dubai (Connected Capacity)

80%+

Market Leadership and Scale

EMPOWER is recognised as the world's largest district cooling services (DCS) provider by the International District Energy Association. With a market share of more than 80% of the district cooling market in Dubai, EMPOWER plays a pivotal role in shaping the city's cooling infrastructure. The Company operates 88 district cooling plants and serves over 143,000 corporate and individual customers across 1,637 buildings. EMPOWER's connected capacity exceeds 1.57 million refrigeration tons (RT), and its contracted capacity surpasses 1.76 million RT, highlighting its extensive reach and operational capabilities.

EMPOWER is a trusted District Cooling services provider to Dubai International Airport, Dubai International Financial Centre (DIFC), Burj Al Arab, Dubai Healthcare City, Business Bay, Palm Jumeirah, Jumeirah Beach Residence (JBR), Ain Dubai & Bluewaters Island, Deira Waterfront, Jumeirah Lake Towers, Discovery Gardens, Ibn Battuta Mall, Jumeirah Village South, Dubai Land Residential Complex, Meydan, among others. This diverse portfolio highlights the strategic importance and balance of EMPOWER's assets across Dubai's key developments.

EMPOWER, the global leader in district cooling, operates 88 plants and serves 143,000 customers in Dubai, with a connected capacity of 1.57 million RT, reinforcing its role in the city's sustainability.

EMPOWER has built strong relationships with Dubai's key master developers, securing exclusive rights as the sole district cooling service (DCS) provider for connected areas. The Company emphasises long-term service contracts, which allow it to sustain a large and stable client base by providing exclusive DCS to key master developments in Dubai. These contracts ensure ongoing business continuity, offering a secure and recurring revenue stream through long-term agreements. Notably, the exclusivity of service remains intact even if the contracted developments are sold or leased, further reinforcing the stability of EMPOWER's business model.

EMPOWER's growth strategy has been marked by notable acquisitions and developments. Key milestones include the acquisition of Palm District Cooling in 2013, which added 369,000 RT to its capacity, Nakheel and Meydan in 2020, contributing a total of 88,000 RT, and Dubai Airport in 2023 with a capacity of 110,000 RT. The Company's long-term exclusivity agreements with master developers ensure a stable and predictable revenue stream, solidifying its market dominance.

Commitment to Sustainability

Sustainability is at the core of EMPOWER's business model. The Company's district cooling technology reduces energy consumption for cooling by up to 50%, utilising 0.9 to 1 kW of electricity per RT compared to 1.6 to 1.8 kW for traditional methods. EMPOWER's initiatives align with the Demand Side Management (DSM) Strategy by the Dubai Supreme Council of Energy, which targets 40% of the city's cooling demand to be met through DCS by 2030.

The Company has also made strides in water efficiency by leveraging advanced reverse osmosis systems and increasing the use of Treated Sewage Effluent (TSE). Additionally, the Company is committed to sustainability by upgrading several district cooling plants with more efficient chillers and incorporating low-emitting refrigerants in its systems. These efforts not only enhance operational efficiency but also align with global environmental standards, further solidifying EMPOWER's position as a leader in sustainable cooling solutions.

Technological Innovation

EMPOWER's operational excellence is driven by cutting-edge technologies that enhance efficiency, sustainability, and reliability. The Company's state-of-the-art Command Control Centre leverages real-time monitoring, advanced data analytics, and AI-driven insights to optimise its 24/7 operations. This intelligent system enables EMPOWER to anticipate and address potential issues through predictive maintenance, significantly reducing downtime and operational costs.

EMPOWER leverages Thermal Energy Storage (TES) systems and IoT-enabled devices to enhance energy and water efficiency, optimising operations and supporting sustainable cooling solutions. Tools like the Intelligent Delta-T Analyser and centralised metering data management systems optimise cooling performance and resource utilisation. Demand response management systems further reduces peak electricity usage by dynamically adjusting cooling output based on real-time demand, solidifying EMPOWER's leadership in sustainable cooling innovation.

By utilising efficient chillers and AI-based technologies in the production and distribution of cooling energy, EMPOWER remains at the forefront of industry innovation, aligning its operations with



global sustainability trends. These advancements enable EMPOWER to consistently exceed its efficiency targets, solidifying its leadership in the district cooling industry.

Strategy

As the world's largest district cooling services provider, we are committed to shaping a sustainable urban future. Our key business strategy centres around delivering reliable, cost-effective, and environmentally friendly district cooling solutions that meet the needs of our customers and create long-term value for our shareholders. We are deeply invested in Dubai's vision for a sustainable future and are the leading district cooling services provider in the market.

Growth Strategy Anchored in a Two-Pronged Approach

- » **Organic growth:** We expand our reach within Dubai by securing new connections within existing master developments and retrofitting older buildings with our energy-efficient district cooling systems. We also capitalise on our strong relationships to become the preferred provider of district cooling services for new projects developed by major real estate developers such as Dubai Holding and Nakheel.
- » **Inorganic growth:** We strategically acquire assets that complement our existing portfolio, allowing us to rapidly expand our service area and customer base. For example, we have invested in acquiring district cooling infrastructure at key locations like Dubai International Airport, further solidifying our market presence.

We are working to further strengthen our dominant position in the Dubai market, with the goal of reaching a connected capacity of 1.86 million RT by the end of 2027. We are also looking beyond Dubai, actively exploring opportunities for international expansion in high-growth markets across the GCC, including Saudi Arabia.

Our commitment to innovation and sustainability goes beyond mere words. We invest heavily in research and development, constantly seeking ways to enhance the efficiency and sustainability of our operations. We have made significant strides in water conservation by extending the use of Reverse Osmosis (RO) technology in our plants, significantly reducing our reliance on fresh water. Our proactive participation in global climate initiatives and our membership in international organisations promoting sustainable development demonstrates our dedication to playing an active role in shaping a sustainable future.

Through our strategic investments in technology, infrastructure, and people, we are committed to delivering exceptional value to our stakeholders while contributing to the sustainable development of the communities we serve. We believe that by aligning our growth and operational strategies with stakeholder values and global sustainability goals, we can create a cooler, greener, and more sustainable urban environment for generations to come.

In collaboration with the American society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), EMPOWER is conducting research to develop the next-generation district cooling systems.

Pioneering Progress: EMPOWER's Role in Transforming District Cooling

- » **Investing in Next-Generation DC Systems:** EMPOWER is investing to conduct research in collaboration with the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), to develop the next-generation district cooling systems. This project focuses on transitioning from traditional models to innovative, energy-efficient solutions that enhance sustainability and performance.
- » **Standardising Global DC Guidelines:** EMPOWER and ASHRAE are jointly developing a unified, globally approved District Cooling Standard. Set for adoption by 2025, this standard aims to provide comprehensive guidance on the design, operation, and maintenance of DC systems, facilitating consistent and efficient practices worldwide.
- » **Hosting Workshops and Technical Visits:** EMPOWER has partnered with United Nations Environment Program (UNEP) to conduct workshops and technical tours aimed at promoting the environmentally friendly district cooling systems and increase efficiency in its operations. These sessions attract policy makers, building cooling practitioners, consultants and real estate developers, fostering knowledge exchange and promoting best practices within the industry.

Financial Performance

Revenue	EBITDA	EBIT
AED 3,260 Million	AED 1,551 Million	AED 1,192 Million
» Revenue grew by 7.4%, reaching AED 3,260 million, driven by a robust, committed connected load of 1.57 million RT.		
» EBITDA rose by 6.2% to AED 1,551 million, with EBITDA margins standing at 47.6% for 2024.		
» EBIT increased by 6.5%, amounting to AED 1,192 million.		
» A final dividend of AED 425 million for 2023 was paid in April 2024, followed by an interim dividend of AED 425 million for 2024, distributed in October 2024 to shareholders.		

Consolidated Statement of Comprehensive Income

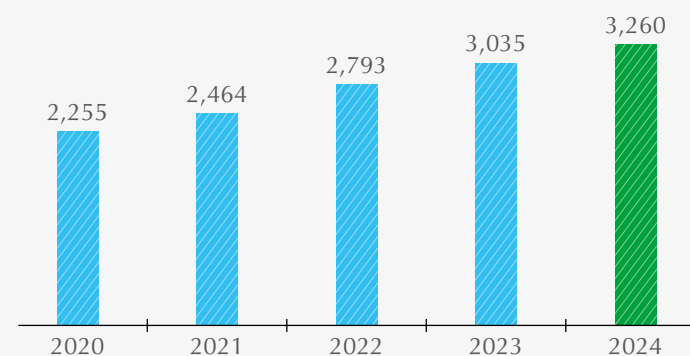
For the year ended 31 December 2024

Particulars	2024 (AED'000)	2023 (AED'000)
Revenue	3,260,489	3,035,203
Interest income on financial assets at amortised cost	59,151	38,711
Cost of sales	(1,917,497)	(1,740,878)
Gross profit	1,402,143	1,333,036
General and administrative expenses	(235,119)	(220,285)
Reversal for expected credit lossess	17,482	0
Other income	7,938	7,120
Operating profit	1,192,444	1,119,871
Finance income	54,027	43,593
Finance costs	(248,139)	(220,833)
Finance (costs)/income - net	(194,112)	(177,240)
Profit before tax	998,332	942,631
Income taxes	(90,097)	17,454
Profit after tax	908,235	960,085

Financial Performance Analysis

EMPOWER delivered a solid financial performance for the year ended 31 December 2024, demonstrating resilience and growth across key metrics. The Company's revenue increased by 7.4% to AED 3,260 million, compared to AED 3,035 million in 2023. This growth reflects the strong base of committed connected load and consistent demand for district cooling services.

Revenue (AED Million)



Its strong revenue model is supported by long-term concessions with various master developers and builders, ensuring a stable and committed load. Driven by robust operating parameters, the Company has maintained consistent growth momentum, with annual revenue increases ranging from a minimum of 3% in 2020 to 7.4% in 2024, reflecting a compounded growth rate of 9.7% over the same period.

7.4%

Revenue Growth: With revenue reaching AED 3,260 million in 2024, marking an 7.42% increase from the previous year, EMPOWER demonstrates strong financial performance and a steady growth trajectory.

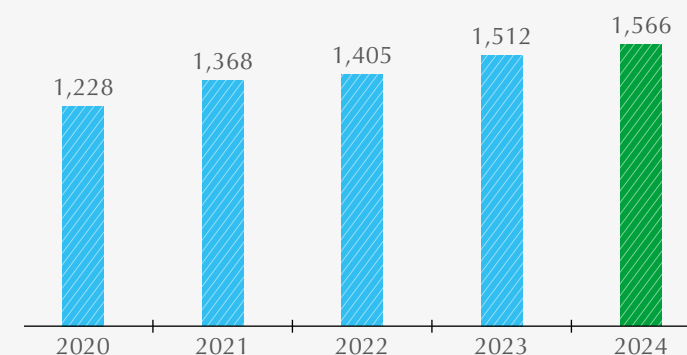
6.3%

Connected Capacity Expansion: EMPOWER operates 1.57 million RT of cooling capacity in Dubai, showcasing a compounded growth rate of 6.3% since 2020, underpinned by long-term concessions and strategic partnerships.

9.7%

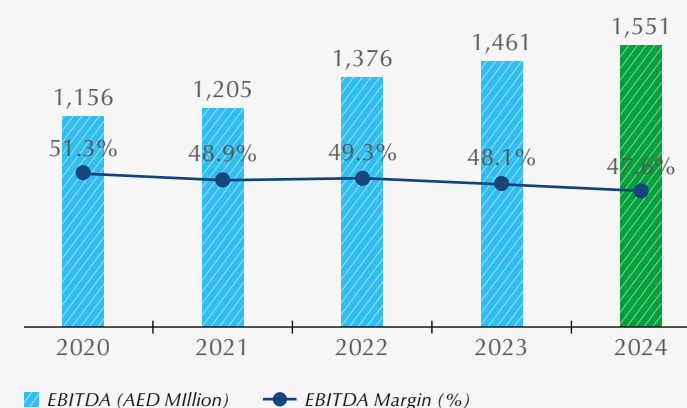
Revenue Model Resilience: EMPOWER's revenue model, anchored by committed load and operational efficiency, drives consistent revenue growth, with a compounded growth rate of 9.7% since 2020.

Connected Load (kRT)



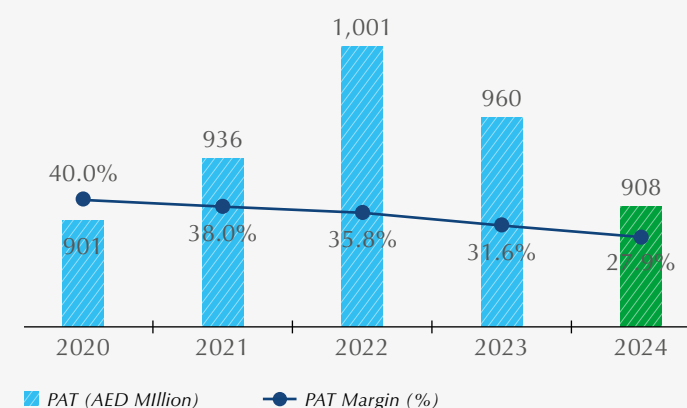
EMPOWER's connected load capacity has grown significantly from 1,228 kRT in 2020 to 1,566 kRT in 2024, achieving a compound annual growth rate (CAGR) of approximately 6.3%. This growth highlights the Company's strategic focus on expanding its network and meeting the increasing demand for district cooling services in Dubai.

EBITDA & EBITDA Margin



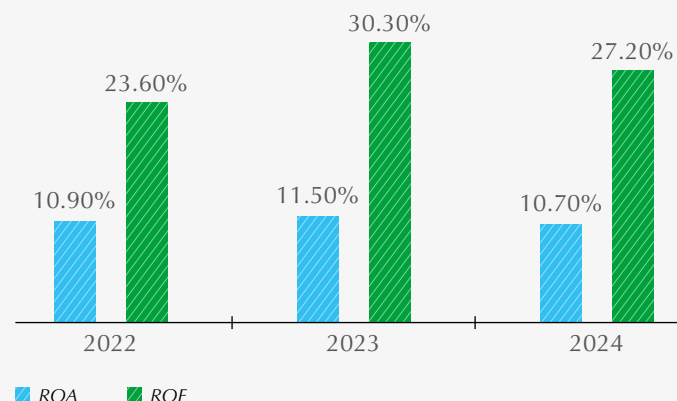
EMPOWER has demonstrated consistent growth in EBITDA over recent years, increasing from AED 1,156 million in 2020 to AED 1,551 million in 2024. The Company has also maintained stable EBITDA margins, reflecting its ability to maintain operational efficiency and profitability. The healthy EBITDA margin of 47.6% in 2024 underscores EMPOWER's focus on cost control and revenue growth ensuring sustained financial strength.

PAT & PAT Margin



EMPOWER's profitability has shown consistency in recent years, with PAT increasing from AED 901 million in 2020 to AED 908 million in 2024. While PAT margins moderated from 40.0% in 2020 to 27.9% in 2024 due to leveraging taken pre-ipo and corporate tax introduction in the UAE.

ROA & ROE



EMPOWER shows strong financial growth, driven by stable revenue, efficient operations, and strategic expansion.

EMPOWER's robust operational and financial performance reflects its strong market position and ability to navigate a dynamic economic environment effectively. The Company remains focused on driving sustainable growth and delivering value to its stakeholders.

Consolidated statement of Financial Position

as at the end of the financial period

Particulars	2024 (AED'000)	2023 (AED'000)
ASSETS		
Non-Current Assets		
Property, plant and equipment	6,995,160	6,934,815
Right-of-use assets	5,513	3,994
Intangible assets	327,825	339,982
Deferred tax assets	16,228	17,454
Financial assets at amortised cost	1,304,838	1,324,786
Financial assets at fair value through other comprehensive income	55,709	54,153
Investment Properties	118,015	85,645
Investment in a joint venture	307	307
	8,823,595	8,761,136
Current Assets		
Inventories	53,789	43,730
Trade and other receivables	275,280	319,094
Due from related parties	18,076	8,821
Financial assets at amortised cost (current)	19,949	19,105
Financial assets at fair value through profit or loss	25,466	10,000
Term deposits	30,264	27,500
Cash and cash equivalents	1,936,627	538,780
	2,359,451	967,030
TOTAL ASSETS	11,183,046	9,728,166

Particulars	2024 (AED'000)	2023 (AED'000)
EQUITY AND LIABILITIES		
Equity		
Equity attributable to equity shareholders of the Company		
Share capital	1,000,000	1,000,000
Statutory reserve	500,000	500,000
Other reserves	18,768	14,510
Contributed capital	82,190	82,190
Retained earnings	1,596,632	1,547,518
	3,197,590	3,144,218
Non-controlling interests	175,745	166,783
Total Equity	3,373,335	3,311,001
LIABILITIES		
Non-Current Liabilities		
Bank borrowings	5,496,219	4,492,438
Government grant	302,778	305,558
Provision for employees end of service benefits	57,646	54,666
Retentions payable	16,189	18,036
Lease liabilities (non-current)	159	584
	5,872,991	4,871,282
Current Liabilities		
Trade and other payables	1,677,637	1,403,263
Due to related parties	159,372	135,953
Current tax liabilities	88,953	0
Government grants	3,170	3,170
Lease liabilities (current)	5,392	3,497
Bank borrowings	2,196	0
	1,936,720	1,545,883
TOTAL LIABILITIES	7,809,711	6,417,165
TOTAL EQUITY AND LIABILITIES	11,183,046	9,728,166

Financial Position

- » The Company maintains a strong financial position with a total asset base of AED 11,183 million.
- » A gearing ratio of 51% at the end of the financial period reflects ample capacity for future expansion.
- » The net debt-to-EBITDA ratio stands at 2.3x as of the end of 2024, well below the compliance threshold.

	2024 (AED mn)	2023 (AED mn)
Loan Outstanding	5,498	4,492
Less : Cash and cash equivalent	(1,967)	(566)
Net Debt Outstanding	3,532	3,926
EBITDA	1,551	1,461
Leverage Ratio	2.3x	2.7x

Consolidated Statement of Cash Flows

Year ended 31 December

Particulars	2024 (AED'000)	2023 (AED'000)
Cash flows from operating activities		
Net profit for the year	998,332	942,631
Adjustments for:		
Depreciation of property, plant and equipment	342,332	332,884
Depreciation of right-of-use assets	4,592	3,158
Amortisation of intangible assets	12,157	12,157
Settlement of financial assets	78,255	49,977
Amortisation of arrangement fee	3,781	2,852
Impairment charge of project costs	919	0
Reversal of Impairment of trade receivables	(17,482)	0
Gain on modification of right-of-use assets	(89)	(23)
Loss on disposal of property, plant and Equipment	33	0
Provision for employees' end of service benefits	8,786	7,186
Provision for impairment of slow-moving and obsolete inventories	0	389
Interest on lease liabilities	230	104
Interest income earned on financial assets at amortised cost	(59,151)	(38,711)
Finance income	(54,027)	(43,593)
Interest expense on bank borrowings	244,128	217,877
Government grant income	(2,780)	(2,780)
Operating cash flows before changes in working capital and payment of employees' end of service benefits	1,560,016	1,484,108
Changes in Working Capital		
Inventories	(10,059)	2,032
Trade and other receivables before advance	46,828	6,005
Due from related parties	(9,255)	22,575
Trade and other payables	215,832	(692)
Due to related parties	23,419	(121,314)
Cash generated from operations	1,826,781	1,392,714
Payment of employees end of service benefits	(2,379)	(1,123)
Net cash generated from operating activities	1,824,402	1,391,591
Cash flows from investing activities		
Acquisition of subsidiary	(159)	(892,500)
Additions to property, plant and equipment	(306,781)	(320,144)
Short-term deposits redeemed/(invested)	(2,600)	(16,200)
Investment in financial assets at fair value through profit and loss	(15,454)	(10,000)
Finance income received	52,873	42,887
Additions to Investment Properties	0	(12,786)
Net cash used in investing activities	(272,121)	(1,208,743)

Particulars	2024 (AED'000)	2023 (AED'000)
Cash Flow from Financing Activities		
Proceeds from bank borrowings net of arrangement fee	4,749,358	0
Repayment of bank borrowings	(3,750,000)	0
Dividends paid	(850,000)	(850,000)
Principal element of lease payments	(4,552)	(3,176)
Interest element of lease payments	(230)	(104)
Finance costs paid	(299,010)	(264,696)
Net cash used in financing activities	(154,434)	(1,117,976)
Net increase / (decrease) in cash and cash equivalents	1,397,847	(935,128)
Cash and cash equivalents at the beginning of the year	538,780	1,473,908
Cash and cash equivalents at the end of the year	1,936,627	538,780

Funds from Operations

The Company maintained a healthy conversion ratio of 117.6% (Funds from Operations: AED 1,824 million / EBITDA: AED 1,551 million), reflecting the effectiveness of its robust collection mechanisms.

Investing Activities

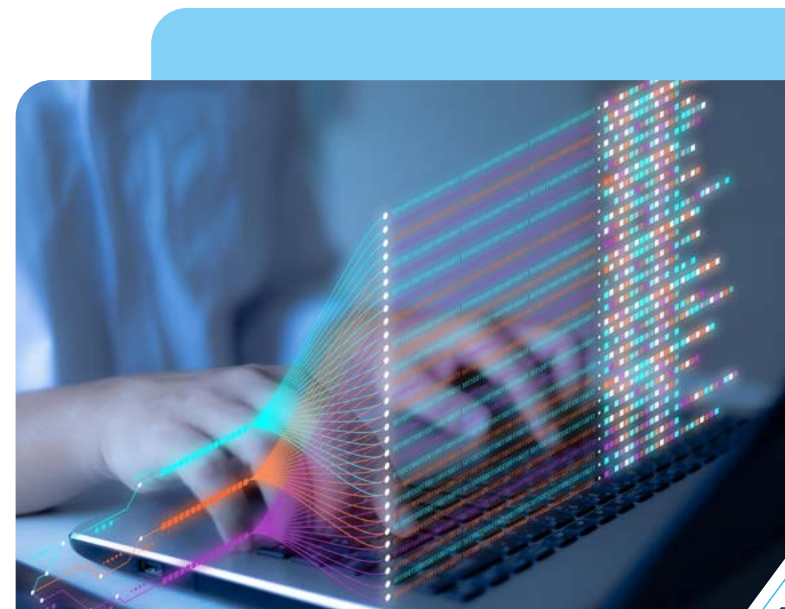
During 2023, the Company acquired 85% interest in DXB CoolCo FZCO, a company providing District Cooling Services to Dubai Airport owned by Dubai Aviation City Corporation ("DACC") for a purchase consideration of AED 892.5 million. Additionally, during the year 2024, AED 307 million was invested in capital expenditure to support the Company's expansion plans.

Financing Activities

The Company distributed AED 850 million in dividends, including AED 425 million as a final dividend for 2024 and an additional AED 425 million as an interim dividend for 2024. During the year, EMPOWER incurred and paid AED 299 million in interest on its bank borrowings.

Quarterly Performance – 2024

Owing to seasonal variations, the Company's quarterly performance fluctuated throughout the year. The table below provides a summary of the Company's quarterly performance for 2024.



Prudent financial management is the cornerstone of sustainable growth, ensuring effective cash flow conversion, strategic investments, and disciplined financing to support long-term expansion and value creation.

Financial Highlights 2024 - Quarterly

	Q1	Q2	Q3	Q4	2024
Revenue (AED m)	538	814	1,100	809	3,260
EBITDA (AED m)	313	380	431	427	1,551
EBITDA Margin	58.1%	46.7%	39.1%	52.8%	47.6%
EBIT (AED m)	229	295	344	324	1,192
Consumption Revenue % to Total Revenue	41.8%	61.0%	67.5%	53.4%	58.1%
Connected load (Cumulative k RT)	1,522k RT	1,532k RT	1,552k RT	1,566k RT	1,566k RT

Future Business Strategies and Outlook

EMPOWER's future business strategy is built on its market leadership, commitment to sustainability, and ambition to drive growth across the district cooling sector. The company aims to solidify its position as a global leader in district cooling while capitalising on emerging opportunities in both local and international markets.



Short-term and Long-term Strategic Goals

EMPOWER's short-term goals focus on consolidating its dominant position in Dubai, with a target connected capacity of 1.86 million RT by the end of 2027. This will be achieved by leveraging growth in Dubai's real estate sector, which continues to drive demand for efficient and sustainable cooling solutions. The Company is committed to achieving consistent revenue growth, supported by capacity expansion and operational efficiency.

In the long term, EMPOWER's strategic vision includes achieving a connected capacity of 1.86 million refrigeration tons (RT) by 2027. This ambitious target will be realised through:



EMPOWER's focus on innovation, sustainability, and strategic growth makes it a leader in the district cooling industry, ensuring long-term resilience in a changing market.

- » **Regional and International Expansion:** Exploring high-potential markets in the GCC, including Saudi Arabia, to establish a broader geographic footprint.
- » **Strategic Acquisitions:** Pursuing targeted acquisitions that align with the Company's growth objectives, enabling rapid market entry and increased capacity.
- » **Planned Investments and Growth Initiatives:** EMPOWER is committed to sustainable and efficient growth, adopting a modular asset approach to optimise capital allocation and scale operations effectively. Key investment initiatives include:
- » **Upgrading Existing Infrastructure:** Enhancing operational efficiency by deploying advanced technologies and modernising cooling plants.
- » **Strategic Projects:** Continuing investments in flagship projects like high-demand developments.

EMPOWER's commitment to innovation, sustainability, and strategic expansion positions it as a trailblazer in the district cooling industry, ensuring long-term growth and resilience amidst evolving market dynamics. By aligning its objectives with Dubai's sustainability goals and global trends, EMPOWER is well-prepared to lead the industry into the future.

Cautionary Statement

This Management Discussion and Analysis (MDA) document contains forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements are subject to risks, uncertainties, and assumptions and are identified by terminology such as "believe", "expect", "may", "will", "could", "should", "intend", "estimate", "plan", "predict", "continue", "assume", "position", "anticipate", or their negatives or other comparable terms.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties, and other crucial factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market conditions, global economic factors, regulatory changes, changes in the competitive environment, and the potential impact of pandemics.

The forward-looking statements in this MDA are made as of the date of this document, and the Company expressly disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. Investors are cautioned to take notice of the risk factors that could affect the Company's actual results.

Corporate Governance Report



Emirates Central Cooling Systems Corporation PJSC (“Empower” or the “Company”) is a company incorporated in Dubai and was listed on the Dubai Financial Market (“DFM”) on 15 November 2022. Empower has issued this report pursuant to the provisions of Article 77 of Decision No. 3 of 2020 issued by the Chairman of the Board of Directors of the Securities and Commodities Authority concerning Approval of Joint Stock Companies Governance Guide (“**Governance Guide**”) and amendments to SCA Governance Guide published under SCA’s Board of Directors Decision no. (2/RM) of 2024.

Corporate Governance Framework

The Company’s corporate governance reflects our commitment to safeguarding the interests of its stakeholders. The Company’s corporate governance principles are based on four pillars mentioned in the Governance Guide, namely i) accountability, ii) responsibility, iii) fairness and iv) transparency and disclosure.

The Company’s corporate governance framework consists of its governing bodies and corporate governance policies and procedures, which define the competencies of the governing bodies and other corporate governance rules and the practices to

be followed by the company, in line with laws, regulations and best practices. The key elements of the governance framework of the company are:

- » the General Assembly of the Shareholders;
- » the Board of Directors;
- » the Board committees;
- » the Chief Executive Officer (CEO) and the executive management;
- » the Internal Audit;
- » the External Auditors; and
- » the Compliance Officer.

The shareholders elect the members of the Board and the external auditors and approve required resolutions at the Annual General Meeting (AGM), such as adoption of the consolidated financial statements, approval of the Board of Directors’ remuneration, distribution of profits, etc. The Board and its committees are responsible for the overall strategic direction, reviewing and assessing the effectiveness of the framework for risk management, internal control & compliance, supervision and control of the Company and appointment of the CEO. The CEO is responsible for the day-to-day operational management of the Company’s business and developing and implementing its business plans.

The Company’s corporate governance policies and procedures are defined in a series of documents, including the following:

Document	Description
Articles of Association (AoA)	» Defines the purpose of the business, the capital structure and the basic organisational framework
Organisation structure	» Defines the organisation structure of the Company and the responsibilities and authority of the Board, its committees and executive management within the Company, as well as the relevant reporting procedures.
Board charter	» Outlines the organisation and responsibilities of the Board.
Board committee charters	» Defines the organisation and responsibilities of the committees.
Code of Conduct	» Defines the Company’s purpose, culture, values and behaviors that all employees are required to follow, including adherence to all relevant laws, regulations and policies.
Insider Dealing Policy	» Defines the principles and procedures for dealings in the Company’s shares by its employees and insiders possessing material information.
Whistle - Blowing Policy	» Enables employees and other stakeholders to voice their concerns related to any suspected fraud, wrongdoing, or unethical conduct that may bring disrepute to the organisation or cause financial loss (refer: https://www.empower.ae/contact-us/whistleblowing).

1. Statement outlining the procedures taken to complete the corporate governance system during 2024 and how these procedures will be applied.

The key activities implemented during 2024 include:

- Developed, adopted policies and enhanced the Corporate Governance framework within the Company.
- Carried out an impact analysis on revised Corporate Governance Guide and took actions to implement the changes.
- Recomposed the Audit committee in line with requirement of amendments to Corporate Governance Guide.
- Recomposed the Nomination, Remuneration & ESG committee in line with requirement of amendments to Corporate Governance Guide.

- Initiated implementation of Internal Control over Financial Reporting (ICOFR) in line with SCA recommended COSO standard.
- Initiated implementation of Enterprise Risk Management in line with ISO 31000: 2018.
- Initiated implementation of Compliance Program in line with ISO 37301:2021.

2. Statement detailing the ownership and transactions of board members, their spouses, and their children in the company's securities during 2024 according to the following table:

The Company's Insider Dealing Policy provides the framework for Board members and employees while dealing with the Company's securities. The Board is committed to complying with the policy, and the following table sets forth the details of all purchases and sales of the Company's shares undertaken by our Directors, their spouses and their children in 2024:

Director	Position	Shares owned as at 31 Dec 24	Total Sale	Total Purchase
H.E. Saeed Al Tayer	Chair	-	-	-
Mr. Hussain Lootah	Director	-	-	-
Mr. Nasser Lootah	Director	2,416	-	-
Mr. Amit Kaushal	Director	-	-	-
Mr. Issam Kazim	Director	-	-	-
Ms. Fatma Belrehif	Director	-	-	-
Mr. Majed Al Joker	Director	-	-	-

3. Composition of the Board of Directors:

- a. Statement detailing the composition of the current Board of Directors (including the names of any members who have resigned or been appointed).

The Board currently consists of seven (7) members who were appointed for a term of three (3) years on 14 October 2022. The composition of the Board and its committees is as shown in the table below:

Director	Position	Category*	Audit & Risk Committee	Nomination, Remuneration & ESG committee	Technical Committee
H.E. Saeed Al Tayer	Chair	Non-Executive	-	-	-
Mr. Hussain Lootah	Director	Non-Executive	Member	Member	Chair
Mr. Nasser Lootah	Director	Non-Executive	Member	Member	Member
Mr. Amit Kaushal	Director	Non-Executive	Member	Member	-
Mr. Issam Kazim	Director	Independent Non-Executive	Chair	-	-

Director	Position	Category*	Audit & Risk Committee	Nomination, Remuneration & ESG committee	Technical Committee
Ms. Fatma Belrehif	Director	Independent Non-Executive	Member	Member	-
Mr. Majed Al Joker	Director	Independent Non-Executive	-	Chair	Member

The Chairman, along with other members of the Board evaluated the structure of the Board and its committees in line with the amendments to SCA Governance guide published under SCA's Board of Directors Decision no. (2/RM) of 2024. At the Board level, no changes were required as it was fully compliant even after the amendments. However, there has been recomposition of Audit & Risk Committee and Nomination, Remuneration & ESG committee, which is further elaborated in the respective sections ahead.

Profile of the current Board of Directors



H.E. Saeed Al Tayer

His Excellency Saeed Al Tayer serves as the Managing Director and Chief Executive Officer of Dubai Electricity and Water Authority (DEWA) PJSC since 1992. He has more than 35 years of experience in Dubai in the fields of telecommunications, energy and water. Under his leadership, DEWA group has achieved unprecedented success and is recognized today to be one of the most leading utilities world-wide.

In 2022, His Excellency steered both Empower and DEWA in their successful public listing, attracting overwhelming global demand. He is a Member of the Dubai Council, a member of the Dubai Executive

Council and the Strategic Affairs Council, a member of the Dubai Supreme Fiscal Committee, Chairman of Emirates Central Cooling Systems Corporation PJSC (EMPOWER), Chairman of Dragon Oil Company, Vice Chairman of the board of directors of Emirates Global Aluminium, Chairman of Dubal Holding, Chairman of Oilfields Supply Center Limited, Chairman of Emirates National Oil Company, Chairman of World Green Economy Organisation (WGEO), and the Vice Chairman of the Dubai Supreme Council of Energy. His Excellency Al Tayer also holds various positions and director roles both within and outside of the Group.

His Excellency received a number of prestigious awards such as the "Middle East Champion of Energy" award received at the World Green Economy Summit 2015 from the United Nations Development Programme (UNDP). On 18 May 2016, the UNDP appointed His Excellency as "UNDP National Goodwill Ambassador for Sustainable Development Goals". In addition, the Swiss Business Council, Dubai & Northern Emirates awarded His Excellency the prestigious "Lord of Matterhorn Award". Moreover, His Excellency received an honorary doctorate from Amity University in Dubai in appreciation of his continuing innovative efforts to achieve excellence and enhance scientific knowledge and sustainability. His Excellency received the prestigious Honorary Fellowship from the Energy Institute, United Kingdom. Also, His Excellency received the Excellence and Creative Engineering Award in the Leading Personnel Category from the Society of Engineers - UAE.



Mr. Hussain Lootah

Engineer Hussain Lootah, a UAE National, accredited with Bachelors in Electrical & Electronical Engineering Degree from California State University, USA in the year 1993.

Upon graduation, he joined DEWA in September 1993 as an Engineer in the Field Service Sector of the Maintenance Department. With his years of practical expertise, hard work, and amalgamation of technical & leadership capabilities, he scaled his way through to manage the Electricity Transmission & Distribution Maintenance, Operations and Projects and presently holding the position of Executive Vice President of Transmission - Power Division of DEWA.

Apart from leading the division and contributing towards the organisation pursuit of excellence, Mr. Lootah is a vital member of various decision-making, operational, technical and performance management committees within DEWA, is a member of the Board of directors of several organisations and a graduate of MBR Centre for Leadership Development. Mr. Lootah has been serving as a Director of the Company since 2006.

Additionally, he has played a key role in expanding the Group's luxury hospitality portfolio with flagship acquisitions such as The Westin Paris Vendôme, Le Richemond in Switzerland, and Capri Palace in Italy, elevating Jumeirah to new heights and establishing relationships with Bulgari, thereby positioning Dubai Holding as a global leader in the luxury hospitality market.

Sustainability has been at the core of Amit's vision for Dubai Holding. He has spearheaded initiatives like the development of the world's largest waste-to-energy plant, laying the foundation for a robust ESG strategy that aligns with Dubai's broader sustainability goals and the nation's net zero ambitions.

In addition to his executive leadership, Amit serves on the boards of several regional and international

organisations, including TECOM and Empower. He also contributes to governance and strategic oversight as a member of various committees, such as the Audit and Risk Committees of TECOM and Empower. Additionally, he chairs the Executive Committee and sits on the Investment Committee of Shamal Holding LLC and serves on the Advisory Board of Warwick Business School in the UK.

Before joining Dubai Holding, Amit gained over a decade of experience in financial services with leading investment banks, including Goldman Sachs, UBS and Deutsche Bank, where he specialised in transaction advisory, structuring and capital markets.

Amit is a British national and holds a Master of Philosophy degree in Finance from the University of Cambridge (UK) and a BSc (First Class Hons.) in Mathematics, Operational Research, Statistics and Economics from the University of Warwick (UK).



Mr. Nasser Lootah

Mr. Nasser Lootah has been serving the Company as a Director since 2010. He was the Chairman of Finance & Audit Committee and member of Technical Committee from August 2017 to October 2022. He was the Chairman of Nomination,

Remuneration & ESG Committee from October 2022 to May 2024 and currently he serves as a member. He is a member of Audit & Risk Committee since October 2022 and member of Technical Committee from October 2023. Mr. Nasser Lootah also served as Advisory Committee Chairman for Dubai's Supreme Council of Energy from 2011 to 2022. He is also a Board member and Chairman of the Technical Committees of SHUAA Energy 1, SHUAA Energy 2, SHUAA Energy 3, SHUAA 4, Hassyan Energy Phase 1, Hassyan Water Company A and Noor Energy 1. He is also a member of the Board of Trustees in UAE Water Aid Foundation, SUQIA since 2015 and a Director of Oilfields Supply Center Ltd from 2021. Mr. Nasser Lootah has been serving as Executive Vice President of Generation (Power and Water) at DEWA since 2005. He holds a Master's Degree in Electrical & Electronics Engineering from Oregon State University, USA.



Mr. Issam Kazim

Issam Kazim is the CEO of Dubai Corporation for Tourism and Commerce Marketing (DCTCM), established in December 2013 as a subsidiary of Dubai Department of Economy and Tourism (DET).

With a global responsibility, Kazim has built DCTCM's now 200+ person team and network of 40+ international offices from the ground up. He is the driving force behind a comprehensive branding, promotion, and marketing agenda, designed to support efforts to further consolidate Dubai's position as a leading global city for business and leisure in line with the Dubai Economic Agenda, D33, as well as positioning it as the best city to visit, live and work in.

Since joining DCTCM in February 2014, Kazim has spearheaded the development of innovative international and domestic programmes to enhance the visitor experience in Dubai. His leadership has been a pivotal factor in DCTCM's ongoing management of more than 30 international marketing campaigns annually, many of which have featured A-list celebrities in recent years. He has also driven an elevated focus on visitor satisfaction and advocacy, contributing to Dubai's unprecedented achievement of being named the

No.1 global destination in the TripAdvisor Travelers' Choice Awards for a third year in a row in 2024.

Kazim is directly involved in the negotiation and contracting of DCTCM's global partnerships, which include the BBC, Bloomberg, CNN, CNBC, The Telegraph Group and Tencent, designed to positively change the narrative of Dubai on the international stage. Domestically, Kazim plays an integral role in relationships with industry stakeholders, partners and investors which contribute to the overall growth in visitation and economic impact to the city.

As a key media spokesperson and the face of DCTCM for events, presentations, interviews and visiting VIP delegations, celebrities and government bodies, Kazim has developed an acute understanding of global diplomacy and localised cultural appreciation through engagements across all major markets.

Further to this, Kazim is responsible for an international travel trade program with more than 250 partners; strategic relationships with major social networks, media outlets, public relations and digital engagement initiatives across 40 markets.

He is a member of the Dubai International Communications Committee, responsible for engaging with international media to enhance and safeguard Dubai's global image. And he was an inaugural appointee to the board of Dubai Media Council, focused on enhancing the domestic media landscape reinforcing Dubai as a global media hub.

Kazim previously worked as Director of DXB Live and Commercial at Dubai World Trade Centre (DWTC), and successfully launched strategic live events including Dubai Music Week.



Mr. Amit Kaushal

Mr. Amit Kaushal has been serving as a Director of the Company since 2021.

He is Dubai Holding's Group Chief Executive Officer, a role he has held since 2018. Since his appointment, he has been at the helm of the Group's transformation and remarkable growth. Under his

leadership, Dubai Holding has expanded its investments to over 30 countries, driving diversification across key sectors, including real estate, hospitality, media and entertainment.

Amit has overseen the successful integration of Meraas, Nakheel and Meydan into Dubai Holding, streamlining operations and fostering synergies across the Group. His leadership has also been pivotal in the successful public listings of TECOM Group PJSC (TECOM), the Group's operator of business destinations; and Emirates Central Cooling Systems Corporation PJSC (Empower), the world's largest district cooling service provider, on the Dubai Financial Market in 2022.

Strategic partnerships have been a hallmark of Amit's tenure. He has established collaborations with leading global and regional organisations, including Brookfield Asset Management, Aldar Properties, Emaar Properties and Emirates NBD, strengthening Dubai Holding's position as a key shareholder in major listed companies.



Ms. Fatma Belrehif

Ms. Belrehif has been serving as Director of the Company since 2022. She also serves as the Chief Executive Officer of the Dubai Schools Inspection

Bureau at the Knowledge and Human Development Authority, which sets the standards for and assures the quality of, private schools in Dubai. Ms. Belrehif chairs the Inclusive Education Task Force in the Emirate of Dubai, as part of the “My Community...A City for Everyone” initiative under the oversight of the Higher Committee for the Protection of the Rights of People of Determination. Ms. Belrehif has been recognised as a “Distinguished Employee” by the Dubai Government Excellence Programme. Ms. Belrehif holds a Bachelor of General Science in Education from Zayed University and a Masters in Public Administration from the Mohammed Bin Rashid School of Government. Ms. Belrehif is a graduate of the Dubai Leaders 2021 Program through the Mohammed Bin Rashid Centre for Leadership Development.



Mr. Majed Al Joker

Mr. Al Joker has been serving as Director of the Company since 2022. He has also been in an executive role in Dubai Airports since 2018 and, in early 2022, was appointed as the Chief Operating Officer of Dubai Airports. As part of his role, Mr. Al Joker oversees Terminal Service Delivery, Airside Service Delivery, the Airport Operations Control Centre, Security, Safety and Sustainability. Mr. Al Joker previously served as Deputy Director, Airport Operations at the Abu Dhabi Airports Company and as Manager, Airport Services (West Asia) for Emirates Airlines. Mr. Al Joker holds a Master's of Science degree in International Business Management from Heriot-Watt University.

b. Statement of the percentage of female representation on the Board of Directors for 2024 (If there is no representation, please state that explicitly)

Ms. Fatma Belrehif represents women on the Board of Directors of the Company.

c. Statement of the reasons for not nominating any female candidate for membership on the Board of Directors.

Not applicable.

d. Statement of the bonuses, allowances, and fees received by members of the Board of Directors:

i) Total remuneration of members of the Board of Directors paid for the year 2023:

Remuneration for 2023 paid in 2024 after approval at last AGM amounts to AED 5,800,000/- (including sitting fees).

ii. The total remuneration proposed for the members of the Board of Directors for the year 2024, which will be presented at the annual general meeting for approval:

The Board remuneration proposal for 2024 is AED 5,880,000/- (including sitting fees), which will be presented for approval of shareholders in the upcoming Annual General Meeting (AGM).

iii. A statement detailing allowances for attending the sessions of the committees emanating from the Board that the members of the Board of Directors received for the fiscal year 2024:

The proposed fees (as detailed below) for attending the sessions of the committees will be presented for the approval of the shareholders at the upcoming Annual General Meeting.

Position	AR Committee	NR & ESG Committee	Technical Committee
Chair	AED 15,000/- per meeting	AED 15,000/- per meeting	AED 15,000/- per meeting
Member	AED 10,000/- per meeting	AED 10,000/- per meeting	AED 10,000/- per meeting

No.	Name	Allowances for attending sessions of committees of the Board of Directors		
		Committee Name	Allowance Value (AED)	Number of Meetings
1	Mr. Hussain Lootah	Audit & Risk Committee	75,000	6
		Nomination & Remuneration Committee (NRC)	10,000	1
2	Mr. Nasser Lootah	Audit & Risk Committee	60,000	6
		Nomination & Remuneration Committee (NRC)	25,000	2
3	Mr. Amit Kaushal	Audit & Risk Committee	60,000	6
		Nomination & Remuneration Committee (NRC)	20,000	2
4	Mr. Issam Kazim	Audit & Risk Committee	75,000	6
		Audit & Risk Committee	10,000	1
5	Ms. Fatma Belrehif	Nomination & Remuneration Committee (NRC)	20,000	2
		Nomination & Remuneration Committee (NRC)	25,000	2
6	Mr. Majed Al Joker	Nomination & Remuneration Committee (NRC)		

iv) Details of any additional allowances, salaries or fees received by a member of the Board of Directors other than committee attendance allowances, and their reasons:

Nil.

- v) **The number of board meetings held during the fiscal year 2024 indicating the dates of their holding, and the number of personal attendance times for all members with a statement of members attending by proxy (the names of the Board of Directors must align with what is mentioned in Clause (3a) above):**

The Board held 6 meetings as detailed below:

Director	Position	09 February 2024	06 March 2024	06 May 2024	05 August 2024	06 November 2024	18 December 2024
H.E. Saeed Al Tayer	Chair	P	P	P	P	P	P
Mr. Hussain Lootah	Director	P	P	P	P	P	P
Mr. Nasser Lootah	Director	P	P	P	P	P	P
Mr. Amit Kaushal	Director	P	P	P	P	P	P
Mr. Issam Kazim	Director	P	P	P	P	P	P
Ms. Fatma Belrehif	Director	P	P	P	A	P	P
Mr. Majed Al Joker	Director	P	P	P	P	P	P

P = Present; A = Absent; P* = Attended by Proxy

- vi. **The number of board decisions passed by circulation during the fiscal year 2024, with an indication of the dates of their convening:**

Empower's Board makes resolutions by circulation in limited exceptional circumstances necessitating the issuance of such a resolution by circulation. In such cases, all documents related to the proposed resolution and recommendations of the internal committees are shared with the Board. Accordingly, the Board Members can review and make an informed decision.

The Board passed 2 resolutions by circulation during the year 2024 on the following dates:

- 23rd September 2024
- 30th September 2024

4. Committees of the Board of Directors

The Audit Committee:

- a. **An acknowledgement by the Chairman of the Audit Committee of his responsibility for the committee system in the Company and for reviewing its operations and ensuring its effectiveness:**

Mr. Issam Kazim, the Chairman of the Audit and Risk Committee, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

The external auditor of the Company was re-appointed at the Annual General Assembly on 27 March 2024. The appointment was conducted in

accordance with UAE Company law, the Company's Articles of Association and in compliance with the Governance Guide.

The Audit Committee governs the relationship between Empower and the appointed external auditors, including:

- Reviewing and monitoring the integrity of the Company's annual and interim financial statements.
- Reviewing and monitoring the extent of the non-audit work undertaken by external auditors.
- Advising on the appointment / reappointment of external auditors.
- Overseeing the relationship with external auditors.
- Reviewing the effectiveness of the external audit process.
- Reviewing the effectiveness of the Company's Internal Audit function.

Key focus areas for 2024:

- Reviewed and endorsed the 2024 quarterly financial statements and 2023 full year financial statements.
- Reviewed key accounting matters and issues.
- Reviewed liquidity position and approved refinancing of existing term loan with a revolving credit facility.
- Completed the external auditor's assessment.

- Reviewed internal audit reports.
- Initiated implementation of Internal Control over Financial Reporting (ICOFR) in line with SCA recommended COSO standard.
- Initiated implementation of Enterprise Risk Management in line with ISO 31000: 2018,
- Initiated implementation of Compliance Program in line with ISO 37301:2021,

- b. **Names of the members of the Audit Committee, and a statement of their powers and tasks:**

The Audit and Risk Committee assists the Board in discharging its responsibilities concerning corporate governance, internal control, risk management, financial reporting, external and internal audits, advising on the appointment of the external auditor, etc.

The Governance Guide requires that the Audit Committee must comprise at least three members who are Non-Executive Directors and have knowledge and expertise in financial and accounting matters, and at least two members must be independent. One of the independent members must be appointed as the Chairperson of the Audit Committee.

The Board of Directors reassessed the committee members independence according to the amendments made to Governance Guide issued by SCA. Based on the assessment, the Committee was reconstituted.

The Board has also expanded Audit and Risk Committee, increasing the number of members to five. This reflects the Board's commitment to strengthen Corporate Governance by ensuring more thorough oversight and improved risk management.

The details of the committee members are as follows:

Director	Position
Mr. Issam Kazim	Chair
Mr. Hussain Lootah	Member
Mr. Nasser Lootah	Member
Mr. Amit Kaushal	Member
Ms. Fatma Belrehif	New Member (Joined from May24)

- c. **The number of meetings held by the Audit Committee during the year 2024 and their dates to discuss issues related to the financial statements and any other matters, and a statement of the number of times the personal attendance times of the members in the held meetings:**

Date of Meeting	Number of Attendees	Names of Absent Members
08 February 2024	4	-
29 February 2024	4	-
03 May 2024	4	-
17 May 2024	5	-
01 August 2024	4	Ms. Fatma Belrehif
04 November 2024	4	Ms. Fatma Belrehif

- d. **Annual Audit Committee report:**

1. **Significant matters considered by the Committee in relation to the financial statements and how these matters were addressed.**

The primary role of the Audit and Risk Committee ('the Committee') in relation to financial reporting is to review with both management and the external auditor the appropriateness of the quarterly, half-yearly and annual financial statements. Summarised below are some of the significant issues that the Committee considered in relation to the financial statements during the year (extracts only provided):

- UAE Corporate Tax** – Reviewing and recording deferred taxes for differences between carrying amount and tax base of assets and liabilities in the audited financials for the year 2023.
- DXB Cool Transaction** – Reviewing control assessment, accounting and judgement and disclosures regarding DXB Cool Transaction in the audited financials for the year 2023.
- Liquidity assessment** – Reviewing the net current asset position at each reporting date to effectively manage the liquidity requirements of the company including borrowing restructuring (short-term to long-term).
- SCA Corporate Governance Rules** – Reviewing the assessment and implementation of key amendments relating to UAE Corporate Governance Rules by SCA.
- Analysis of trade receivables** on a quarterly basis along with its ageing.

2. **An explanation of how the independence and effectiveness of the external audit process and the approach taken in appointing or reappointing the external auditor are evaluated, and information about the tenure of the current audit firm.**

In line with the Committee's responsibility to review and appoint the external auditors and approve their

remuneration and terms of engagement, in 2024 the Committee monitored PricewaterhouseCoopers (PwC's) independence, objectivity and performance with reference to reports from PwC during the year covering the overall audit approach and the progress and results of the audit.

The Committee also monitors and approves any non-audit services to be provided by the external auditors. The appointment / re-appointment of the external auditor is carried out after a detailed review of the audit firm's ranking, reputation and expertise in delivering a high-quality audit.

Empower was listed during the year 2022 and PwC has been serving as Empower's external auditor during the years 2022 to 2024 (with partner changing during the year 2023). The Committee considers the reappointment of the external auditor including the rotation of the audit partner, with the external audit firm rotated after every six years and audit partner rotated after every three years. The current lead audit partner has been in place for two years. During this time, PwC's team has consistently demonstrated a high level of competence and professionalism, contributing to the reliability and robustness of our financial reporting.

Considering the above, a resolution proposing the reappointment of PwC as our auditor will be put forward to the shareholders at the AGM to be held in 2025. There are no contractual obligations restricting the Committee's choice of external auditor.

3. A statement of the committee's recommendation regarding the appointment, reappointment or dismissal of the external auditor, and the reasons for the Board of Directors not accepting that recommendation.

Please refer our recommendation mentioned above and the same has been endorsed by the Board of Directors.

4. An explanation of how to ensure the independence of the external auditor if he provides services other than auditing the company's accounts.

Non-audit services provided by the external auditors require approval by the Committee. Approval is given on the basis that the service will not compromise independence and is a natural extension of the audit or there are overriding business or efficiency reasons making the external auditors most suited to provide the service. Certain services are prohibited from being performed by the external auditors as required under the SCA Corporate Governance Guide.

During the year 2024, no non-audit services were provided by PwC.

5. Actions that the Committee has taken or will be taken to address any deficiencies or weaknesses in the event of any failures in internal control or risk management.

The Audit Committee reviews management reports, external and internal audit reports at regular intervals. In 2024, the Audit Committee had met six times to oversee policies and procedures, financial statements, external and internal audit reports. Policies such as Delegation of Authority and Whistleblower were reviewed and amended to address any deficiencies in the internal control and risk management.

6. Evidence that the committee reviews all medium- and high-risk reports issued by internal audit to determine whether they arise from major failures or weaknesses in internal control.

In 2024, the Committee conducted 3 reviews of consolidated Internal Audit reports comprising of medium and high risk audit findings along with the corresponding management actions to address the identified weaknesses in the internal control. The Committee also reviewed the implementation progress of agreed management actions.

Internal Audit function follows a risk-based approach in planning and executing the audit engagements. The Committee has reviewed the risk assessment and the audit plan presented by the Internal Audit department to ensure that all high and medium risk areas are covered as part of the audit engagement.

7. Comprehensive information about the corrective treatment plan in the event of fundamental deficiencies in the areas of risk management and internal control systems.

The Committee is pursuing the following actions to assess and remediate any deficiencies in the areas of risk management and internal control systems:

- Conducting an independent gap/maturity level assessment of existing ERM, ICOFR processes by third party and remediation of identified gaps;
- Implementing Internal Control over Financial Reporting (ICoFR) in line with SCA recommended COSO framework;
- Implementing Enterprise Risk Management in line with Global standards;

8. Evidence that the committee reviewed all transactions concluded with related parties and the observations or results that resulted from them and the extent of compliance with the applicable laws in this regard.

The Company has not entered into any transaction with related parties in accordance with the definitions provided for these terms in the Governance Guide.

Note 12 of the consolidated financial statements for the year 2024 provides the key related party transactions that were carried out in the normal course of business on the terms agreed between the parties.

Nomination and Remuneration Committee:

a. An acknowledgement by the Chairman of the Nomination and Remuneration Committee of his responsibility for overseeing the committee system within the company and for reviewing its operations and ensuring its effectiveness:

Mr. Majed Al Joker, the Chairman of the Nomination, Remuneration, Environment, Social and Governance (NR&ESG) Committee, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

b. The names of the members of the Nomination and Remuneration Committee along with a statement of its powers and assigned tasks:

The NR&ESG Committee assists the Board in discharging its responsibilities concerning the composition of the Board and its committees. It is responsible for evaluating the balance of skills, knowledge, experience, size, structure and composition of the Board and its committees and, in particular, for monitoring the independent status of the independent non-executive directors. In addition, the NR&ESG committee assists the Board in determining its responsibilities concerning remuneration, including making recommendations to the Board on the Company's policy on executive remuneration and reviewing and overseeing the Company's ESG strategy and objectives.

The Governance Guide requires that the Nomination and Remuneration Committee must comprise at least three members who are Non-Executive Directors, of whom at least two members must be independent. One of the independent members must be appointed as the Chairperson of the Nomination and Remuneration Committee.

The Board of Directors reassessed the committee members independence according to the amendments made to Governance Guide issued by SCA. Based on the assessment, the Committee was reconstituted.

The Board has also expanded NR&ESG Committee, increasing the number of members to five. The Board's decision to increase the members of the NR&ESG Committee strengthens corporate governance by fostering more comprehensive oversight of executive appointments, compensation practices, and environmental, social and governance

initiatives. This reflects the Board's commitment to strengthen Corporate Governance and ensure effective oversight.

The details of the committee members are as follows:

Director	Position
Mr. Majed Al Joker	Chair
Mr. Nasser Lootah	Member
Mr. Amit Kaushal	Member
Ms. Fatma Belrehif	Member
Mr. Hussain Lootah	New Member (Joined from May24)

c. A statement of the number of meetings held by the Committee during the year 2024 and the dates of their holding, with an indication of the number of personal attendance times of all members of the Committee :

Date of Meeting	Number of Attendees	Names of Absent Members
27 th February 2024	4	-
16 th July 2024	5	-

Committee to follow up and supervise the dealings of insiders:

a. Acknowledgment from the chairman of the committee or the authorised individual responsible for the committee system within the company and for reviewing its operations and ensuring its effectiveness:

Mr. Mohamed Kahoor, the Chairman of the Insiders Dealing Committee, acknowledges his responsibility for the committee system in the Company, reviewing its work mechanism and ensuring its effectiveness.

b. Names of the members of the committee tasked with monitoring and supervising transactions of stakeholders, along with a statement detailing its powers and assigned tasks:

The Committee is responsible for ensuring compliance with the Insider Dealing Policy approved by the Board of Directors. The members of the Committee are as follows:

Director	Position
Mr. Mohamed Kahoor	Chair
Mr. Ahmad Al Qassem	Member
Mr. Murugesan Vasanthan	Member

c. Summary of the committee's work report for 2024. (If the committee has not been established, reasons for its absence will be provided):

The Committee has reviewed the Company's insider list to ensure completeness in line with the regulations' requirements. In addition, the Committee conducted a compliance review on the Company's Insider trading policy for the period January to September 2024 and reported the findings to the Audit and Risk committee.

Other committees approved by the Board of Directors:

During Q4-2023, the Technical Committee was approved by the Board of Directors

a. Acknowledgment from the chairman of the committee of his responsibility for the committee system within the company and for reviewing its operations and ensuring its effectiveness.

Mr. Hussain Lootah, the Chairman of the Technical Committee, acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

b. Name of Committee: Technical Committee

c. Names of the members of each committee, along with a statement detailing their powers and assigned tasks.

The Technical Committee is formed to assist the Board with its responsibility to oversee technical, project and operational matters arising as a part of the Company's ordinary course of business and, in this regard, to review, evaluate, endorse/provide recommendations on such matters, in accordance with the Company's approved DOA, constitutional documents and prevailing policies and as may be directed by the Board from time to time.

The members of the Committee include:

Director	Position
Mr. Hussain Lootah	Chair
Mr. Nasser Lootah	Member
Mr. Majed Al Joker	Member

d. Statement of the number of meetings held by the committee during 2024 and the dates of those meetings, including the number of the personal attendance times of all members of the committee.

The Committee has been involved on a continuous basis to review and approve procurement related documents as per the approved DOA.

vii. Statement of the tasks and powers of the Board of Directors carried out by a member of the Board or the Executive Management during 2024 based on a delegation from the Board, specifying the duration and validity of the delegation according to the following table:

The Board has delegated the day-to-day management to the Chief Executive Officer. The Board has defined and approved the Company's delegation of authority, which determines the limits that may be approved by the Chief Executive Officer, Technical Committee & Chairman of the Board, Technical Committee & the Board of Directors. This delegation of authority is reviewed on a periodic basis and revised based on the requirements of the Company.

viii. A statement of the details of transactions that took place with related parties (stakeholders) during the year 2024:

The Company has not entered into any transaction with related parties in accordance with the definitions provided for these terms in the Governance Guide. Note 12 of the consolidated financial statements for the year 2024 provides the key related party transactions as such term is defined in the International Financial Reporting Standards (IFRS) and which are already reflected in the consolidated financial statements for the year 2024, and carried out during the year in the normal course of business on the terms agreed between the parties.

5. Assessment of the Board of Directors:

Assessment of the board, its committees, and executive management:

A. The annual assessment of the performance of the board of directors, its members and committees. (The assessment can be carried out by the Nominations and Remuneration Committee or by the chairman, with assistance from the board's secretary, as needed. Independent consultants may also be engaged, if required, to help the board of directors with this process).

The Chairman of the Board and NRC has carried out an annual evaluation of the Board and its committees for the year 2024.

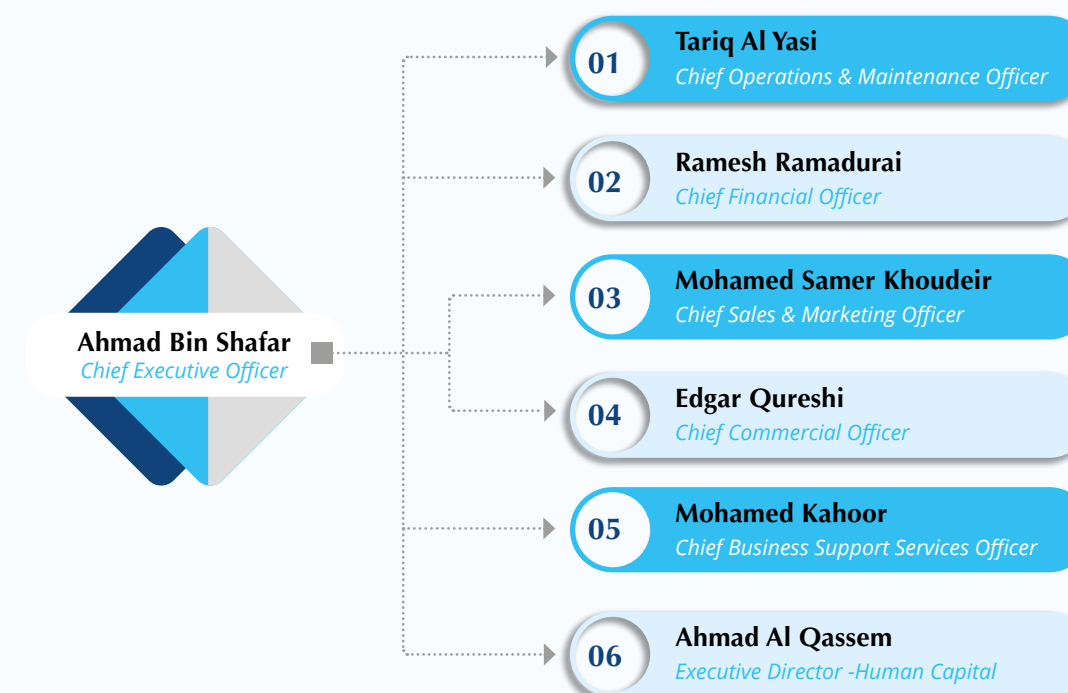
B. Assessment of the company's board of directors, its members, and committees by an independent professional entity without any interest or relationship with the company, its board members, or executive management. (The board will engage an independent professional entity to assess the performance of the board, its members, and committees every third year).

The Board is committed to evaluating the Board of Directors, its Members, and Committees by an

independent professional entity every three years. The Board is therefore planning to carry out this exercise in 2025, third year from the date of the Board's constitution.

6. Organisational Structure and Executive Management:

The full organisational structure of the Company



Mr. Ahmad Bin Shafar – Chief Executive Officer

Mr. Bin Shafar joined the Company at its inception and has been serving as its Chief Executive Officer since inception. Mr. Bin Shafar has been with the Company for 21 years and brings over 29 years of experience in senior management positions, including eight years with Standard Chartered Bank in Corporate and Retail Banking, Finance, Marketing

and Customer Relations. Under the leadership of Mr. Bin Shafar, Empower has become the World's Largest DCS provider, from a capacity perspective, within a short span of a decade. Mr. Bin Shafar also serves as the Chairman of the Board of Directors of ELIPS since 2007 and, as Chariman of DXB CoolCO FZCO since 2023, as a Board Member Emeritus of the International District Energy Association, since 2013, as Chairman of District Cooling Operators' Association, Dubai since 2020, and as a member of the Board of Dubai Sports Council, from 2009 to 2022. Mr. Bin Shafar is also the Chairman of Hamdan Sports Complex and Al Wasl Club, Dubai. Mr. Bin Shafar is a member of the Cranfield Management Association, of IMD International and of the American Society of Heating, Refrigerating and Air-Conditioning Engineers. Mr. Bin Shafar holds a Bachelor's of Science in Business Administration in Management from California State University, Los Angeles, USA.



Eng. Tariq Al Yasi – Chief Operations and Maintenance Officer

Mr. Alyasi joined the Company in 2006 and has been serving as Chief Operations and Maintenance Officer since 2010 and as Acting Head of the Project Management Office since 2016. Mr. Alyasi has over 27 years of experience and has been with the Company for 18 years, previously serving as Director of Operations and Maintenance for the Company from 2006 to 2010 and as a board member for Dubai Carbon Centre of Excellence from 2012 to 2019. Mr. Alyasi is also a Board Member of DXB CoolCO FZCO. and has also served in multiple other roles throughout the Company. Mr. Alyasi holds a Bachelor's of Science in Petroleum Engineering from the University of Tulsa, USA.



Mr. Ramesh Ramadurai – Chief Financial Officer

Mr. Ramadurai joined the Company in 2004 and has been serving as its Chief Financial Officer since 2010. Mr. Ramadurai has over 35 years of management experience in audit, financial

management and planning, risk management, funding and treasury management, project financing, business strategy, project evaluation, business modelling and valuations, accounting, and statutory and management reporting. Prior to joining the Company, Mr. Ramadurai was employed by TECOM Group, an indirect subsidiary of Dubai Holding, and between 1993 and 2000, he was employed with a large regional group, where he held senior management-level positions handling finance and systems functions. Mr. Ramadurai also serves as a member of the Board of ELIPS since 2007 and a member of the Board of DXB CoolCO FZCO since 2023. Mr. Ramadurai holds a Bachelor's Degree in Commerce from the University of Madras, India, and the following professional qualifications: FCA, ACMA, ACS, CPA, CMA, CFM, CISA and CFA certifications.



Eng. Mohamed Samer Khoudeir – Chief Sales & Marketing Officer

Mr. Khoudeir joined the Company in 2005 and has been serving as Chief Sales & Marketing Officer. With over 34 years of experience in the

air conditioning industry, including in the fields of heating, ventilation, air conditioning and refrigeration products and services, Mr. Khoudeir is responsible for the Company's sales, marketing and customer service functions. Mr. Khoudeir serves as the General Manager and board member of ELIPS. He is also a Board Member of DXB CoolCO FZCO. Prior to joining the Company, Mr. Khoudeir held management positions at Carrier Global Corporation. Mr. Khoudeir is a member of the American Society of Heating, Refrigerating and Air-Conditioning Engineers, the Syrian Society of Engineers and the UAE Society of Engineers. Mr. Khoudeir holds a Bachelor's Degree in Mechanical Engineering from Aleppo University, Syria, and a Post Graduate Certificate in Management from Bournemouth University, UK.



Eng. Edgar Qureshi – Chief Commercial Officer

Mr. Qureshi joined the Company in 2004 and has been serving as Chief Commercial Officer since 2014. Prior to joining the Company, Mr. Qureshi worked at TECOM Group and has over 30 years of management experience in developing commercial and project management departments in numerous high-profile start-up companies. Since joining the Company, Mr. Qureshi has led and developed

the contract, commercial, procurement and legal functions of the Company and has led contractual and commercial negotiations of the Company's joint ventures and acquisitions. In addition to establishing the Company's commercial department, Mr. Qureshi was responsible for restructuring and leading the project management department and held the joint roles of Chief Commercial Officer and Chief Projects Officer for seven years between 2007 and 2014. Mr. Qureshi has also held positions of responsibility at Shire Consultancy, Laing UK, Al Owaidah General Contracting KSA/UAE, and numerous Dubai Holding and Sheikh Mohammed entities. Mr. Qureshi also serves as a board member for ELIPS and DXB CoolCo. Mr. Qureshi holds a Bachelor's of Civil Engineering from the Imperial College of Science, Technology and Medicine, University of London, UK and is chartered by the Institution of Civil Engineers. In addition, he has professional qualifications in Contract Law and Administration from the same institution.



Mr. Mohamed Kahoor – Chief Business Support Services Officer

Mr. Kahoor joined the Company in 2005 and has been serving as Chief Business Support Services Officer since 2019. Mr. Kahoor has over 36 years

of total experience in the areas of commercials, purchase, administration, stores and stock control, customer services, quality and event management. Mr. Kahoor has held senior management positions with TECOM Group and DEWA. At TECOM Group, Mr. Kahoor held the positions of Head of Administration, Director of Commercial Operations Services Corp and Director of Protocol and Customer Services, where he carried out various assignments, including establishing the Hospitality Services and Protocol Affairs section and Government Operation Services section. Mr. Kahoor spent 11 years with DEWA, during which he was responsible for store operations and Inventory Management. Mr. Kahoor holds a Bachelor's of Science in General Business Administration from the University of Arizona, USA.



Mr. Ahmad Al Qassem – Executive Director – Human Capital

Mr. Al Qassem joined the Company in 2013 as a Senior Manager for Human Capital, serving as Director of Human Capital since 2018 and as Executive Director of Human Capital since 2019. Prior to this, Mr. Al Qassem served in various senior management roles for DP World, Dubai Properties Group and Serco ME. Mr. Al Qassem holds a Bachelor's Degree in Public Administration from Al-ain University, UAE.

- ix. A detailed statement of the senior executive employees in the first and second ranks according to what is stated in the company's organisational structure, their jobs, dates of appointment, and total salaries and bonuses paid to them:

Name	Position	Date of appointment
Mr. Ahmad Bin Shafar	Chief Executive Officer	20-Feb-04
Mr. Tariq Al Yasi	Chief Operations and Maintenance Officer	30-Apr-06
Mr. Ramesh Ramadurai	Chief Financial Officer	1-Apr-04
Mr. Samer Khoudeir	Chief Sales and Marketing Officer	3-Apr-05
Mr. Edgar Qureshi	Chief Commercial Officer	1-Jun-04
Mr. Mohamed Kahoor	Chief Business Support Services Officer	1-Sep-05
Mr. Ahmad Al Qassem	Executive Director – Human Capital	10-Jun-13

The bonuses for 2024 and any salary increments for 2025 will be considered by the NR and ESG Committee and approved by the Board in H1 2025. The total salaries and allowances paid for 2024 including bonus for 2023 to the senior management of the Company is AED 25,433,892/-

7. External Auditor:

a. Presenting a brief about the Company's auditor to the shareholders:

PwC has operated in the Middle East region for more than 40 years and employees more than 10,000 people across 12 countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates.

PwC's regional team operates across the Middle East, bringing international experience delivered within the context of the region and its culture. They can bring the collective knowledge and experience of more than 360,000 people across the entire global PwC network in advisory, assurance and tax to help find the value clients are looking for.

In UAE, PwC has five offices in three main locations: Abu Dhabi, Dubai and Sharjah.

b. A statement of the fees and costs of auditing or services provided by the external auditor:

Particulars	Details
The name of the audit firm	» Audit Firm - PricewaterhouseCoopers Limited Partnership Dubai Branch
Name of the partner Auditor	» Partner – Mr. Murad Alnsour
The number of years spent as the company's external auditor	» Three years
The number of years the partner auditor spent auditing the company's accounts.	» Two years
Total value of Audit fees 2024 (in AED).	» AED 1,650,000.00
Details and nature of other services provided by the Company's auditor (if any). In the event that there are no other services, this shall be stated explicitly.	» No other services were provided by the Company's auditors.
The value of fees and costs incurred for other special services other than auditing the financial statements for 2024 (in AED), if any. In the event that there are no other fees, this shall be stated explicitly.	» Nil

Particulars	Details
A statement of other services performed by an external auditor other than the company auditor during 2024 (if any). In the event that there are no services provided by another external auditor, this shall be stated explicitly.	<p>» Deloitte was engaged to provide the following services during the year:</p> <ul style="list-style-type: none"> Corporate Tax and Deferred Tax assessment and note for Annual and quarterly financial statements. AED 86,304.00 Assessing and implementing Internal control over Financial reporting (ICOFR) in line with SCA recommended COSO standard. AED 399,567.00 Implementing Enterprise Risk Management in line with ISO 31000: 2018. AED 934,754.00 Compliance Program in line with ISO 37301:2021. AED 594,842.00 <p>» EY Consulting LLC was engaged to provide assessment of Empower's current IT landscape and the delivery of recommended strategy and future road map. AED 1,847,184.46</p>

- c. A statement showing the reservations that the Company's auditor included in the interim and annual financial statements for the year 2024. In the absence of any reservations, the Company must state it explicitly.

There are no reservations that the PwC included in the interim and annual financial statements for 2024.

8. Internal Control System:

- a. Acknowledgment by the Board of its responsibility for the company's internal control system and for reviewing its operations and ensuring its effectiveness:

The Board acknowledges its responsibility for the Company's Internal Control system, including review and ensuring its effectiveness. To effectively discharge this obligation, the Board has formed an Audit & Risk Committee (the "Committee") with a mandate to oversee, review, assess the effectiveness of the Company's corporate governance, disclosures, internal controls, and risk management systems.

The Committee is also required to review internal control reports and follow up on the implementation of the corrective measures with respect to any control gaps. Further, to ensure robust internal control system at Empower, the Committee has taken initiative to implement "Internal control over Financial reporting" (ICoFR) in line with SCA recommended COSO standard, Enterprise Risk Management in line with ISO 31000: 2018 and Compliance Program in line with ISO 37301:2021

- b. The name of the department manager, his qualifications, and the date of appointment:

The Internal Audit department is headed by Mr. Murugesan Vasanthan, who joined the Company as

Director of Internal Audit in 2013. He has over 31 years of experience in internal audit and finance, particularly in the execution of financial, operational, and compliance audits and fraud investigations. His credentials include working in NYSE and DFM listed companies, expertise in institutionalising Enterprise Risk Management, and Internal control system in line with global standard, industry experience spanning IT, consumer care, engineering, and utility companies in regions across India, Middle East, US and Europe.

Mr. Vasanthan holds a Bachelor's Degree in Corporate Secretaryship from the University of Madras, India, and has ACA and CMA professional qualifications from ICAI & ICMA, India.

- c. The name of the compliance officer, his qualifications, and the date of appointment:

Name of the Compliance Officer: Mr. Rafiq Al Shahbaz is the Compliance officer for Empower. He joined Empower in 2006. He has the following qualifications:

Bachelor of Arts Degree from Temple University, College of Arts and Sciences
 Juris Doctorate from Thurgood Marshall School of Law, Texas Southern University
 Executive MBA, Business Administration and Management, London Business School
 National University of Singapore, Joint ASEAN Bangkok Summer Programme, International Business, Trade and Tax Law
 Member, Chartered Institute of Arbitrators
 Member, Texas Bar Association
 Member, National Bar Association
 Member, Phi Delta Phi

- d. How does the Internal Control Department deal with any major problems in the Company or those that have been disclosed in the annual reports and accounts (If no major problems have occurred, this should also be stated):

The Internal Audit Department employs a risk-based approach in planning and conducting various reviews to identify risks, threats, and challenges faced by the company.

It also provides recommendations to the management for implementing necessary controls to address critical issues/problems.

Notably in 2024, the Internal Audit department has conducted 29 reviews consisting of 13 Internal Control Reviews, 7 Business Process Reviews, 5 Regulatory & Compliance Reviews, 1 IT Application Review and 1 Fraud Investigation, 1 District Cooling Plant Site Audit and 1 Project Site Audit. The reviews covered critical business processes and high-risk areas. The control improvements and gaps identified are reported to the Audit and Risk Committee and Management. The corrective actions are being taken to address the audit findings.

Currently the Compliance officer role is being handled by Mr. Rafiq Al Shahbaz. Mr. Rafiq joined Empower in 2006 and has over 25 years of experience. The company is currently looking out for a Risk officer and a dedicated Compliance officer and expects to fill these positions during the year 2025.

However, there is no major problem faced by the company in 2024.

- e. The number of reports issued by the Internal Control Department to the Board of directors:

During the year 2024, the Internal Audit Department issued 3 consolidated reports to the Audit and Risk Committee. These reports included (i) the key audit findings and the Management action plan on the completed internal audit reviews (ii) updates on the implementation status of audit actionable agreed by the Management and (iii) updates / changes in execution of approved audit plan.

9. Details of the violations committed during the year 2024 and an explanation of their causes, and how to address them and avoid their recurrence in future:

There were no violations committed during the year 2024.

10. A statement of the cash and in-kind contributions made by the Company during 2024 to support local community development and

environmental preservation. (If no contributions were made, this should be explicitly stated).

No.	Description	Value (AED)
1	Recycling workshop for 30 people with Dubai Club for People of Determination on 06-Mar-24 (Earth Day). This workshop is conducted by women who are part of the Dubai Club for People of Determination.	9,000
2	Ramadan Iftar meals for all Muslim staff (total of 14,866 meals)	86,724
3	Blood donation (in collaboration with the Dubai Blood Donation Centre, 2 campaign) for 600 donors	6,125
4	Father's Day – celebrate Father's day at the Senior happiness centre	3,676
5	Breast Cancer awareness campaign	11,676
6	Sponsorship for the Al Jamaheer Program on Dubai TV	150,000
7	WETEX 2024 – Strategic Sponsorship	476,190

11. General Information:

- a. A statement of the Company's share price in the market (closing price, highest price and lowest price) at the end of each month during the fiscal year 2024:

The share price activity for the fiscal year 2024 is tabulated below.

2024	High (AED)	Low (AED)	Close (AED)
January	1.94	1.66	1.75
February	1.81	1.60	1.64
March	1.72	1.59	1.65
April	1.67	1.55	1.59
May	1.62	1.44	1.53
June	1.58	1.46	1.46
July	1.69	1.46	1.65
August	1.76	1.58	1.72
September	1.75	1.65	1.73
October	1.76	1.63	1.75
November	2.04	1.87	1.83
December	1.87	1.75	1.82

- b. A comparative performance statement of the company's share relative to the general market index and the sector index to which the company belongs during 2024:

2024	Empower (AED)	DFMGI	Utilities Index
January	1.75	4,169.08	953.28
February	1.64	4,308.77	925.25
March	1.65	4,246.27	925.72
April	1.59	4,155.77	890.37
May	1.53	3,977.93	869.03
June	1.46	4,030.00	834.82
July	1.65	4,268.05	903.58
August	1.72	4,325.45	909.12
September	1.73	4,503.48	956.62
October	1.75	4,591.05	948.66
November	1.83	4,847.34	986.74
December	1.82	5,158.67	1,044.73

- c. Statement of the distribution of shareholder ownership as of 31/12/2024 (individuals, companies, governments) classified as follows:

NO.	Shareholder Classification	Percentage of shares owned			
		Individuals	Companies	Government	Total
1	Local	2.41%	28.67%	57.36%	88.44%
2	Arab	0.34%	1.73%	-	2.07%
3	Foreign	0.24%	8.44%	0.81%	9.49%
4	Total	3.04%	38.70%	58.26%	100.00%

- d. A statement of the shareholders who own 5% or more of the Company's capital as of 31-Dec-2024:

NAME	No. of Shares	% of Shares
Dubai Electricity and Water Authority PJSC (DEWA)	5,600,000,000	56%
Emirates Power Investment LLC	2,400,000,000	24%

- e. Statement of shareholder distribution according to the volume of ownership as of 31/12/2024:

SHARE OWNERSHIP (SHARES)	No. of shareholders	No. of shares owned	The proportion of shares owned by the capital
Less than 50,000	13,148	30,419,923	0.30%
From 50,000 to less than 500,000	400	66,185,094	0.66%
From 500,000 to less than 5,000,000	228	381,974,780	3.82%
More than 5,000,000	57	9,521,420,203	95.22%

- f. Statement detailing the procedures undertaken regarding investor relation controls, indicating the following:

- i. The name of the investor relations officer

- ii. Contact information for the investor relations officer (email, phone, mobile, fax)

The name and contact information of the Investor Relations Officer:

Mr. Chander Bherumal

Tel: 04-375 5555

Email: investor.relations@empower.ae

iii. **The electronic link to the Investor Relations webpage on the Company's website**

Link: <https://www.empower.ae/investor-relations/>

g. **A statement of the special decisions presented at the General Assembly held during the year 2024 and the actions taken in relation thereto:**

The Company held its Annual General Assembly on 27th March 2024. No special decision was presented in the General Assembly held during the year 2024.

h. **Name of the rapporteur of the Board of Directors meetings and the date of his appointment:**

M/s Ibrahim N. partners (INP) were appointed on 17 February 2023 and were retained during the year 2024 to discharge the function of Board Secretary. Mrs. Nour Aljafari from INP has been designated as the current secretary of the Board of Directors.

i. **Detailed statement of the fundamental events and important disclosures that the company encountered during 2024:**

- Empower hosted the technical study tour on district cooling in Dubai for high-level delegates from Governments of Tunisia, Kingdom of Morocco and the State Government of Punjab of Pakistan organised by the United Nations Environment Program (UNEP).
- 2 Gold Awards from the International District Energy Association (IDEA), USA, for two categories: "Total Number of Buildings Committed" & "Total Building Area Committed".
- 2 Innovation Awards from IDEA for 'Innovation Award Honorable Mention for Integrated Metering Solutions' and 'Innovation Award Honorable Mention for Chiller Efficiency Improvement' at Business Bay 02.
- Empower sponsored the Al Jamaheer Program on Dubai TV.
- Empower was a diamond sponsor for the world's largest District Energy conference and exhibition - IDEA2024, in Orlando, USA.
- Empower was a Strategic Sponsor of the 'WETEX 2024'.
- Empower was honored with an Award for its support towards WETEX.
- Empower participated at the World Green Economy Summit in Dubai during WETEX 2024
- Empower participated in the ASHRAE Conference & Expo 2024, Chicago, USA
- Empower participated in the IDEA Campus Energy 2024 conference, San Francisco
- IDEA recognised Empower for the 20-years' strategic partnership between Empower and

IDEA in advancing District Cooling in the Middle East.

- Empower signed a Memorandum of Understanding (MoU) with ASHRAE for the development of a unified and globally approved District Cooling Standard.
- Empower signed a Memorandum of Understanding (MoU) with ASHRAE to develop the next generation District Cooling Systems.
- Empower was recognised as the leading district cooling company in Dubai by the Dubai Supreme Council of Energy (DSCE) in its Demand Side Management Recognition Program.
- Gold LEED certification awarded to the Business Bay 05 District Cooling Plant by the United States Green Building Council.
- Ahmad Bin Shafar named among Forbes' "Top Sustainability Leaders 2024" and "Top CEOs in the Middle East (Top CEOs 2024)"
- Ahmad Bin Shafar has been reappointed for the sixth consecutive time as a member of the Board of Directors of the International District Energy Association (IDEA).
- Empower Recognised by Moro Hub for Efforts in Reducing Carbon Emissions (Reducing carbon emissions by 42,415.92 kilograms over three years through its use of Moro's Green Data Centers)
- Ministry of Energy and Infrastructure signs MoU with Empower to enhance future partnership opportunities for providing District Cooling Services to the northern Emirates
- Empower achieves the first Guinness World Record for the highest capacity district cooling plant (DCS) for its Business Bay District Cooling project.
- Empower achieves the second Guinness World Record for Largest Cooling Plant Coverage for its Business Bay District Cooling Project (the number of buildings is 188 buildings).
- Empower signs an agreement with Al Habtoor Group to provide district cooling services to supply the Al Habtoor Tower with district cooling services of approximately 7,200 refrigeration tons (RT).
- Empower has announced the commencement of connecting Al Wasl Skyscraper to the company's district cooling network with a total capacity of 3,900 RT of environmentally friendly district cooling energy.
- Empower signs new agreement with Mitsubishi Heavy Industries Thermal Systems to supply advanced chillers with a total capacity up to 100,000 RT.
- Empower commences operation of its Jumeirah

Beach Hills (JBH) District Cooling Plant with a total production capacity of 48,000 refrigeration tons (RT) upon the completion of all phases.

- Empower awards construction contract to build Deira Waterfront District Cooling plant with a capacity of 39,000 RT
- Empower awards contract to design its second District Cooling plant in Jumeirah Village (Plant total Capacity 37,000 RT)
- Empower launches summer campaign 'Set and Save 24°C' and encourages its customers to reduce energy consumption and bills.
- Empower and ELIPS renew ISO certifications
- Empower achieved the Dubai Chamber of Commerce ESG Label
- Empower launches the Arabic version of its website.
- Empower conducted the Consultants Meeting 2024

j. **Statement of the deals made by the company with related parties during 2024 that equate to 5% or more of the company's capital:**

The Company has not entered into any transaction with related parties in accordance with the definitions provided for these terms in the Governance Guide. Note 12 of the consolidated financial statements for the year 2024 provides the key related party transactions that were carried out in the normal course of business on the terms agreed between the parties.

k. **A statement of the percentage of Emiratisation in the Company by the end of the years 2022, 2023, 2024 (excluding workers for companies operating in the contracting field):**

The % of Emirati employees out of Empower's total head office employees is as tabulated below:

Employees	2022	2023	2024
Emirati	33%	33%	31.4%

l. **A statement of the innovative projects and initiatives undertaken by the Company or under development during the year 2024:**

Empower continuously innovates solutions and undertakes initiatives that can bring efficiencies and enhance its service delivery to customers. It has won various accolades and awards for innovations from industry associations such as the International District Energy Association (IDEA) etc. During the year 2024, Empower implemented the following innovative projects:

Development	Initiative
Zabeel DCP	Zabeel DC plant COP (coefficient of performance) improvement by introducing Machine Learning algorithms for optimised equipment operation.
DHCC Swiss - WC upgrade	Plant upgrade by introducing VSD chillers to reduce operating costs.
Al Barari Development (ABD)	Chiller efficiency improvement by retrofitting VSD technology and thereby reducing chiller energy consumption and associated operating costs.
Solar Panel introduction	Installation of Solar Panel at Empower facilities as part of reducing its operating cost.
Water treatment program enhancement for water savings	Change the Condenser chemical treatment program in selected District Cooling Plants to increase COC (cycle of concentration), reduce water consumption, and reduce associated wastewater disposal tanker costs.
New RO plants	Commissioned 2 TSE Polishing RO Plants in 2024. This will avoid consuming an ample amount of DEWA portable water and improve the plant's sustainable index.

Signatures:

Chairman, Board of Directors

Chairman, Audit and Risk Committee

Chairman, Nomination, Remuneration & ESG Committee

Director of the Internal Control Department

[Signature]
ZorroSigned KDDSD3C89927344 07-Mar-2025
[Signature]
ZorroSigned KDDSD3C818C8468X 06-Mar-2025
[Signature]
ZorroSigned KDDSD3C9F89E1CD37 06-Mar-2025



Directors' Report

(For the year ended 31 December 2024)

The Board of Directors present their report and audited consolidated financial statements of Emirates Central Cooling Systems Corporation P.J.S.C (the “Company”) and its subsidiaries (together referred to as the “Group”) for the year ended 31 December 2024.

Principal activities

The principal activities of the Group are the provision of district cooling services, operations and maintenance of central cooling plants and related distribution networks and manufacturing of pre-insulated pipes for district cooling services.

Financial and operational performance

The Group has recorded a net profit attributable to the equity holders of the Company amounting to AED 896,754 thousand for the year ended 31 December 2024.

The Group achieved a turnover of AED 3,260,489 thousand during the year 2024, which represented a growth of 7.4% compared to the last year and achieved an operating profit of AED 1,192,444 thousand, which represented a growth of 6.5% compared to the previous year 2023.

Share capital

The paid-up capital of the Company is AED 1,000,000 thousand consisting of 10,000,000 thousand shares of AED 0.10 each. There has been no change in the capital structure of the Company during the year ended 31 December 2024.

Transfer to statutory reserve

The transfer of profit to the statutory reserve has been suspended as the reserve has reached 50% of the paid-up share capital in prior years.

Dividend

During the year 2024, a final dividend of AED 425,000 thousand (AED 0.0425 per share) in respect of the year ended 31 December 2023 was declared and approved in the Annual General Assembly Meeting held on 27 March 2024 which was paid on 24 April 2024 (2023: Final dividend of AED 425,000 thousand (AED 0.0425 per share)). Further an interim dividend of AED 425,000 thousand (AED 0.0425 per share) in respect of the six-month period ended 30

June 2024 was declared and approved on 23 September 2024 by the Board of Directors and subsequently paid on 18 October 2024 (2023: Interim dividend of AED 425,000 thousand (AED 0.0425 per share)).

Key agreements signed

During the year 2024, Empower has signed 120 new agreements in and around its existing concession agreements with a total demand capacity of approximately 96,512 RT. With these newly signed agreements, Empower's total contracted capacity has reached 1.76 million RT. Amongst the agreements signed during the year, Empower has signed an agreement with Al Habtoor Group LLC to provide 7,200 RT of district cooling services to Al Habtoor Tower by the beginning of second quarter of 2025.

Awards and achievements

During the year 2024, Empower achieved the Guinness World Record for the highest capacity district cooling plant for its Business Bay District Cooling Project in Dubai. With total connected capacity of 241,272 Refrigeration Tons (RT) that will scale-up to have an ultimate capacity of 451,540 RT, Empower has inscribed its name in Guinness World Record under brand-new global benchmark “The highest Cooling Capacity for a District Cooling System”.

Empower was also recognised as the leading district cooling company by Dubai Supreme Council of Energy (DSCE) in the Demand Side Management Recognition Program, which honours sustainability champions in Dubai. Empower has significantly contributed towards the greener future in the Emirate by enhancing energy and water efficiencies and its commitment towards circular economy principles.

Empower won four prestigious awards at the International District Energy Association Annual Conference and Exhibition (IDEA 2024) held in June 2024. Among the four awards, two awards are for innovation (Honourable Mention) for “Integrated Metering Solutions” and “Chiller Efficiency Improvement”.

During the year 2024, Empower has completed twenty years of its operations. Empower's journey began with a single temporary plant serving the Dubai International Financial Centre (DIFC) in 2004. From the beginning, Empower's vision was “To be the World's Leading District Cooling Service Provider”. By the directives of visionary leaders of this country, guidance of its shareholders and support from its customers, Empower has become the World's Largest District Cooling Services provider and aims to enhance eco-efficient district cooling services in UAE and the region.

Outlook

The global district cooling market size valued at AED 98 billion (\$26.79 billion) in 2024 is predicted to reach AED 177 billion (\$48.18 billion) by the year 2032, growing at a CAGR of 7.8% during the forecast period 2025-2032. In the coming years, due to rising awareness of environmental protection and sustainable solutions, it is expected that the district cooling industry will grow and will be a preferred

cooling solution for cities to move towards climate resilient, resource-efficient and low-carbon pathways. In December 2024 quarterly economic review, UAE Central Bank (CBUAE) has maintained UAE's growth forecast at 4% for the year 2024 and projected 4.5% for overall GDP and 5% for non-oil growth for the year 2025. We expect Empower to continue grow its connected capacity in UAE and explore other neighboring countries to provide its energy efficient district cooling services.

Directors

The Directors who held office during the year, their committee memberships and functions, as at 31 December 2024 were as follows:

Name Of the Director	Designation	Committee Memberships
H.E. Saeed Mohammed Ahmad Al Tayer	Chairman	Not applicable
Mr. Nasser Mohammed Bin Lootah	Director	Audit and risk committee (Committee Member), Nomination, Remuneration and ESG Committee (Committee Member), Technical Committee (Committee Member)
Mr. Hussain Essa Ibrahim Lootah	Director	Audit and risk committee (Committee Member), Nomination, Remuneration and ESG Committee (Committee Member), Technical Committee (Committee Chairman)
Mr. Amit Kaushal	Director	Audit and risk committee (Committee Member), Nomination, Remuneration and ESG Committee (Committee Member)
Mr. Issam Abdulrahim Abdulla Kazim	Director	Audit and risk committee (Committee Chairman*)
Mrs. Fatma Ibrahim Abdulla Belrehif	Director	Audit and risk committee (Committee Member*), Nomination, Remuneration and ESG Committee (Committee Member)
Mr. Majed Sultan Murad Ali Al Joker	Director	Nomination, Remuneration and ESG Committee (Committee Chairman*), Technical Committee (Committee Member)

*Pursuant to SCA's amendments to governance guide in 2024, the following changes were made in Empower's board committees:

- 1) Mr. Issam Abdulrahim Abdulla Kazim, member of Audit and Risk Committee was appointed as Chairman of the committee.
- 2) Mr. Majed Sultan Murad Ali Al Joker, member of Nomination, Remuneration and ESG Committee was appointed as Chairman of the committee.
- 3) Mrs. Fatma Ibrahim Abdulla Belrehif was appointed as member of Audit and Risk Committee.

Auditors

The consolidated financial statements for the year ended 31 December 2024 were audited by PricewaterhouseCoopers Limited Partnership Dubai Branch, who were appointed as external auditors for the year ended 31 December 2024 in the Annual General Assembly meeting held on 27 March 2024. PricewaterhouseCoopers Limited Partnership Dubai Branch are eligible for reappointment as auditors for the year 2025 and have expressed their willingness to continue in office.

On behalf of the Board



H.E. Saeed Mohammed Ahmad Al Tayer
Chairman
14 February 2025

SECTION

06

FINANCIALS

● Our performance

Transparency, Performance, and Accountability

At EMPOWER, our financial performance is a testament to our resilience, strategic foresight, and operational excellence. We are committed to upholding the highest standards of transparency and accountability in our financial reporting, ensuring stakeholders have a clear view of our results and achievements. Our financial statements reflect the strength of our business model, while independent audits affirm our dedication to accuracy and integrity. Through disciplined financial management and sound decision-making, we deliver sustainable value, positioning EMPOWER as a leader in financial responsibility and long-term growth.

Independent Auditor's Report

to the shareholders of Emirates Central Cooling Systems Corporation P.J.S.C

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Emirates Central Cooling Systems Corporation P.J.S.C ("the Company") and its subsidiaries (together "the Group") as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- » the consolidated statement of financial position as at 31 December 2024;
- » the consolidated statement of comprehensive income for the year then ended;
- » the consolidated statement of changes in equity for the year then ended;
- » the consolidated statement of cash flows for the year then ended; and
- » the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants

(including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our audit approach

Overview

Key Audit Matter » Accuracy of revenue from consumption charges

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Accuracy of revenue from consumption charges

The Group reported revenues from district cooling services of AED 3,239,722 thousand (Note 23) for the year ended 31 December 2024 of which AED 1,895,257 thousand relates to consumption revenue, which is based on variable outputs consumed by the customers.

Auditing consumption revenue component recorded by the Group is complex due to IT systems used in initiation, processing and recording of transactions, which includes a high volume of individually low monetary value transactions. The revenue is calculated based on meter readings from the systems and pre-defined rates.

There is an inherent risk around the accuracy of the recognised consumption revenue given the complexity of the systems and consequently we considered this to be a key audit matter.

How our audit addressed the Key audit matter

We carried out the following procedures:

- » We gained an understanding of the control environment related to revenue process and identified the relevant controls, IT systems, interfaces and reports;
- » We evaluated the control environment by testing the general IT controls over the main systems and applications involved in the revenue recording process;
- » We assessed the design and operating effectiveness of controls over the capture and recording of revenue transactions;
- » We evaluated the management's controls over the authorisation of rate changes and the input of this information into the billing systems, as well as the calculation of amounts billed to customers. We also tested a sample of customer bills for accuracy;
- » We evaluated the controls in place over manual intervention and modification of metering data, which is restricted to the meter data management system, and the manual intervention of master billing data that is restricted to the billing team;
- » On a sample basis, we tested the accuracy of the meter readings and checked that the data of the respective meter readings, as per the sample selected, was appropriately reflected in the billing system;
- » We evaluated the interface between the meter data management system and the billing system;
- » We evaluated the interface between billing system and financial reporting system;
- » We recalculated the amount of revenue recognised on a sample basis and have traced the fixed rates to the signed customer agreements and billing system;
- » We traced consumption charges and fuel surcharge billed to the customer invoices on a sample basis. We have also traced the rates and meter readings on the invoices; and
- » We assessed the appropriateness of the accounting policies and disclosures made in the consolidated financial statements.

Other information

The directors are responsible for the other information. The other information comprises the directors' report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Company's Annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- » Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Limited Partnership Dubai Branch
14 February 2025



Murad Alnsour
Registered Auditor Number 1301
Dubai, United Arab Emirates

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Decree Law No. (32) of 2021, we report that:

- (i) we have obtained all the information we considered necessary for the purposes of our audit;
- (ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021;
- (iii) the Group has maintained proper books of account;
- (iv) the financial information included in the Directors' report is consistent with the books of account of the Group;
- (v) as disclosed in note 1 to the consolidated financial statements the Group has purchased shares during the year ended 31 December 2024;
- (vi) note 12 to the consolidated financial statements discloses material related party transactions, and the terms under which they were conducted; and
- (vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, or in respect of the Company, its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

Consolidated Statement of Financial Position

(For the year ended 31 December)

(in AED'000)

Particulars	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	6,995,160	6,934,815
Right-of-use assets	6	5,513	3,994
Intangible assets	7	327,825	339,982
Deferred tax assets	28	16,228	17,454
Financial assets at amortised cost	8	1,304,838	1,324,786
Financial assets at fair value through other comprehensive income	9	55,709	54,153
Investment properties	37	118,015	85,645
Investment in a joint venture		307	307
		8,823,595	8,761,136
Current assets			
Inventories	10	53,789	43,730
Trade and other receivables	11	275,280	319,094
Due from related parties	12	18,076	8,821
Financial assets at amortised cost	8	19,949	19,105
Financial assets at fair value through profit or loss	13	25,466	10,000
Term deposits	14	30,264	27,500
Cash and cash equivalents	15	1,936,627	538,780
		2,359,451	967,030
Total assets		11,183,046	9,728,166
EQUITY AND LIABILITIES			
Equity			
Equity attributable to equity holders of the Company			
Share capital	16	1,000,000	1,000,000
Statutory reserve	17	500,000	500,000
Other reserves		18,768	14,510
Contributed capital	18	82,190	82,190
Retained earnings		1,596,632	1,547,518
		3,197,590	3,144,218
Non-controlling interests		175,745	166,783
Total equity		3,373,335	3,311,001

(in AED'000)

Particulars	Notes	2024	2023
LIABILITIES			
Non-current liabilities			
Bank borrowings	19	5,496,219	4,492,438
Government grants	20	302,778	305,558
Provision for employees' end of service benefits	21	57,646	54,666
Retentions payable	22	16,189	18,036
Lease liabilities	6	159	584
		5,872,991	4,871,282
Current liabilities			
Trade and other payables	22	1,677,637	1,403,263
Due to related parties	12	159,372	135,953
Current tax liabilities	28	88,953	-
Government grants	20	3,170	3,170
Lease liabilities	6	5,392	3,497
Bank borrowings	19	2,196	-
		1,936,720	1,545,883
Total liabilities		7,809,711	6,417,165
Total equity and liabilities		11,183,046	9,728,166

To the best of our knowledge, the consolidated financial statements fairly present in all material respects, the consolidated financial position, results of operation and consolidated cash flows of the Group as of and for the year ended 31 December 2024. These consolidated financial statements were approved by the Board of Directors on 14 February 2025 and were signed on their behalf by:



Chief Executive Officer



Chairman

Consolidated Statement of Comprehensive Income

(For the year ended 31 December)

(in AED'000)

Particulars	Notes	2024	2023
Revenue	23	3,260,489	3,035,203
Interest income on financial asset at amortised cost	8	59,151	38,711
Cost of sales	25	(1,917,497)	(1,740,878)
Gross profit		1,402,143	1,333,036
General and administrative expenses	26	(235,119)	(220,285)
Reversal for expected credit losses	11	17,482	-
Other income	29	7,938	7,120
Operating profit		1,192,444	1,119,871
Finance income	30	54,027	43,593
Finance costs	30	(248,139)	(220,833)
Finance costs- net		(194,112)	(177,240)
Profit before tax		998,332	942,631
Income tax	28	(90,097)	17,454
Profit after tax		908,235	960,085
Profit attributable to:			
Equity holders of the Company		896,754	952,927
Non-controlling interests	32	11,481	7,158
		908,235	960,085
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (AED)	35	0.090	0.095
Profit for the year		908,235	960,085
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of financial assets at fair value through other comprehensive income	9	913	1,242
Income tax impact		(82)	-
Remeasurement of post-employment benefit obligations	21	3,427	7,432
Other comprehensive income for the year, net of tax		4,258	8,674
Total comprehensive income for the year		912,493	968,759
Total comprehensive income for the year attributable to:			
Equity holders of the Company		901,012	961,601
Non-controlling interests		11,481	7,158
		912,493	968,759

Consolidated Statement of Changes in Equity

(For the year ended 31 December)

Particular	Attributable to equity holders of the Company						Non-controlling interests	Total
	Notes	Share capital	Statutory reserve	Other reserves	Retained earnings	Contributed capital	Total equity	
At 1 January 2023		1,000,000	500,000	5,836	1,444,591	82,190	3,032,617	3,034,742
Total comprehensive income for the year								
Profit for the year		-	-	-	952,927	-	952,927	960,085
Other comprehensive income								
Other comprehensive income for the year		-	-	8,674	-	-	8,674	8,674
Total comprehensive income for the year								
Transaction with owners in their capacity as owners:								
Non-controlling interest on acquisition of subsidiary	32	-	-	-	-	-	-	157,500
Dividends declared	39	-	-	-	(850,000)	-	(850,000)	(850,000)
At 31 December 2023		1,000,000	500,000	14,510	1,547,518	82,190	3,144,218	3,311,001
At 1 January 2024		1,000,000	500,000	14,510	1,547,518	82,190	3,144,218	3,311,001
Total comprehensive income for the year								
Profit for the year		-	-	-	896,754	-	896,754	908,235
Other comprehensive income								
Other comprehensive income for the year		-	-	4,258	-	-	4,258	4,258
Total comprehensive income for the year								
Transaction with owners in their capacity as owners:								
Acquisition of non-controlling interest	1	-	-	-	2,360	-	2,360	(159)
Dividends declared	39	-	-	-	(850,000)	-	(850,000)	(850,000)
At 31 December 2024		1,000,000	500,000	18,768	1,596,632	82,190	3,197,590	3,373,335

Consolidated Statement of Cash Flows

(For the year ended 31 December)

(in AED'000)

Particulars	Notes	2024	2023
Cash flows from operating activities			
Profit before tax		998,332	942,631
Adjustments for:			
Depreciation of property, plant and equipment	5	342,332	332,884
Depreciation of right-of-use assets	6	4,592	3,158
Amortisation of intangible assets	7	12,157	12,157
Settlement of financial assets	8	78,255	49,977
Amortisation of arrangement fee	30	3,781	2,852
Impairment charge of project cost	5	919	-
Reversal of Impairment of trade receivables	11	(17,482)	-
Gain on modification of right-of-use assets	6	(89)	(23)
Loss on disposal of property, plant and equipment		33	-
Provision for employees' end of service benefits	21	8,786	7,186
Provision for impairment of slow moving and obsolete inventories	10	-	389
Interest on lease liabilities	30	230	104
Interest income earned on financial assets at amortised cost	8	(59,151)	(38,711)
Finance income	30	(54,027)	(43,593)
Interest expense on bank borrowings	30	244,128	217,877
Government grant income	20	(2,780)	(2,780)
Operating cash flows before changes in working capital and payment of employees' end of service benefits		1,560,016	1,484,108
Changes in working capital:			
Inventories		(10,059)	2,032
Trade and other receivables before advances		46,828	6,005
Due from related parties		(9,255)	22,575
Trade and other payables		215,832	(692)
Due to related parties		23,419	(121,314)
Cash generated from operations		1,826,781	1,392,714
Payment of employees' end of service benefits	21	(2,379)	(1,123)
Net cash generated from operating activities		1,824,402	1,391,591
Cash flows from investing activities			
Acquisition of interest in subsidiary	1	(159)	(892,500)
Additions to property, plant and equipment		(306,781)	(320,144)
Short-term deposits (more than 3 months) invested		(2,600)	(16,200)
Investment in financial assets at fair value through profit and loss		(15,454)	(10,000)
Finance income received		52,873	42,887
Additions to Investment properties	37	-	(12,786)
Net cash used in investing activities		(272,121)	(1,208,743)

(in AED'000)

Particulars	Notes	2024	2023
Cash flows from financing activities			
Proceeds from bank borrowings net of arrangement fee		4,749,358	-
Repayment of bank borrowings	19	(3,750,000)	-
Dividends paid	39	(850,000)	(850,000)
Principal element of lease payments	6	(4,552)	(3,176)
Interest element of lease payments	6	(230)	(104)
Finance costs paid		(299,010)	(264,696)
Net cash used in financing activities		(154,434)	(1,117,976)
Net increase / (decrease) in cash and cash equivalents		1,397,847	(935,128)
Cash and cash equivalents at the beginning of the year		538,780	1,473,908
Cash and cash equivalents at the end of the year	15	1,936,627	538,780

Non- cash transactions are disclosed in Note 36.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented:

Particulars	Notes	2024	2023
Cash and cash equivalents	15	1,936,627	538,780
Borrowings-repayable within one year	19	(2,196)	-
Borrowings-repayable after one year	19	(5,496,219)	(4,492,438)
		(3,561,788)	(3,953,658)
Lease liabilities	6	(5,551)	(4,081)
Net debt		(3,567,339)	(3,957,739)
Cash and cash equivalents	15	1,936,627	538,780
Lease liabilities	6	(5,551)	(4,081)
		1,931,076	534,699
Gross debt-fixed interest rates		-	-
Gross debt-variable interest rates	19	(5,498,415)	(4,492,438)
		(3,567,339)	(3,957,739)

Notes to the Consolidated Financial Statements *(For the year ended 31 December 2024)*

1. Establishment and operations

Emirates Central Cooling Systems Corporation P.J.S.C (“EMPOWER” or “the Company”), formerly Emirates Central Cooling Systems Corporation, was established on 23 November 2003 in accordance with Article 3 of Law No.10 (“the Decree”). The Company was established as a joint venture between Dubai Electricity and Water Authority (“DEWA”), which is ultimately owned by the Government of Dubai, and the Dubai Development Authority (later transferred to TECOM Investments FZ-LLC (“TECOM”). EMPOWER began commercial operations on 15 February 2004, and its principal activities are the provision of district cooling services and management, operation and maintenance of central cooling plants and related distribution networks.

In 2009, DEWA increased its shareholding in the Company to 70% and reduced TECOM’s interest to 30%, as formalised through Decree No.3 of 2010 issued by the Ruler of Dubai. On 9 May 2022, TECOM transferred its interest of 30% to Emirates Power Investment LLC, an entity under common

control through the Decree No. 19 of 2022 issued by the Ruler of Dubai.

On 14 October 2022, the legal status of the Company was amended to a Public Joint Stock Company through Decree No. 22 of 2022 issued by the Ruler of Dubai. EMPOWER was listed on the Dubai Financial Market, on 15 November 2022, by listing 20% of its share capital. As a result, DEWA and Emirates Power Investment LLC’s interest was diluted to 56.0% and 24.0% respectively.

The Company’s primary office is located at Al Hudaiba Awards Building, P.O. Box 8081, Dubai, United Arab Emirates.

These consolidated financial statements relate to the Company and its subsidiaries (jointly referred to as “the Group”).

On 20 September 2021, the UAE Federal Decree Law No. 32 of 2021 (“Companies Law”) was issued and came into effect on 2 January 2022 which is applicable to the Company.

The Company has the following material subsidiaries:

Subsidiary	Principal activities	Beneficial and legal shareholding	
		2024	2023
Empower Insulated Pipe Systems LLC (formerly Empower Logstor LLC)- (i)	Manufacturing of pre-insulated pipes, primarily for district cooling.	100%	97.00%
Palm District Cooling LLC (ii)	Establishing and operating district cooling projects and providing air-conditioning, ventilation and refrigeration services.	100%	99.90%
Palm Utilities LLC (ii)	Establishing and operating district cooling projects and providing air-conditioning, ventilator and refrigeration services.	100%	99.50%
Empower FM LLC	Installation of air conditioning, ventilation and purification systems, as well as repairs and maintenance.	100%	100%
Empower Engineering & Consultancy LLC	Consultancy services for project development.	100%	100%
Empower Snow LLC	Establishing and operating district cooling projects and providing air-conditioning, ventilator and refrigeration services.	100%	100%
DXB CoolCo. FZCO	Establishing and operating district cooling projects and providing air-conditioning, ventilator and refrigeration services.	85%	85%

- (i) In January 2024, EMPOWER acquired 3% minority shareholding in Empower Logstor LLC from Logstor Holding for AED 159 thousand. In July 2024, the legal name was changed to Empower Insulated Pipe Systems L.L.C.
- (ii) In July 2024, EMPOWER acquired additional shareholding in Palm Utilities LLC, from Utilities Management Company LLC. As a result of this transaction, the ownership of EMPOWER in Palm Utilities LLC and Palm District Cooling LLC increased to 100%.

Empower Insulated Pipe Systems LLC (formerly Empower Logstor LLC) was established during the year 2007 with the Company owning a 51% share and Logstor Holding, Denmark owning the remaining 49% shareholding. In 2012, the Company increased its shareholding to 97% in Empower Insulated Pipe Systems LLC and diluted Logstor Holding, Denmark’s interest to 3%. During the year 2024, the Group purchased minority share of 3% from Logstor Holding for AED 159 thousand.

During 2013, EMPOWER acquired 99.5% interest in Palm Utilities LLC (“PU”) and 99.9% interest in its subsidiary Palm District Cooling LLC (“PDC”).

During 2020, the Company established two subsidiaries, namely Empower FM LLC and Empower Engineering & Consultancy LLC with a 100% shareholding in each. The principal activities of Empower FM LLC and Empower Engineering & Consultancy LLC are disclosed in the table above.

During 2021, the Company acquired 100% interest in Empower Snow LLC, a company providing District Cooling Services for various projects developed and owned by a Master Developer Nakheel PJSC for a purchase consideration of AED 673,900 thousand.

During 2023, the Company acquired 85% interest in DXB CoolCo FZCO, a company providing District Cooling Services to Dubai Airport owned by Dubai Aviation City Corporation (“DACC”) for a purchase consideration of AED 892,500 thousand.

The consolidated financial statements for the year ended 31 December 2024 were authorised for issue on 14 February 2025.

2. Material accounting policies

Material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(a) New and amended standards adopted by the Group during the year

The following new and revised IFRS, which became effective for annual periods beginning or after 1 January 2024, have been adopted in these consolidated financial statements.

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1;
- Lease Liability in Sale and Leaseback – Amendments to IFRS 16; and
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New standards, amendments and interpretations not yet adopted by the Group

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. Management is currently assessing the impact of these standards, and amendments on the future consolidated financial statements of the Group.

- Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027). Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group

controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income.

Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes

of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Property, plant, and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial year in which they are incurred.

Land is not depreciated. Depreciation on other assets is computed, using the straight-line method, at

rates calculated to reduce the cost of assets to their estimated residual values over their expected useful lives as follows:

	Years
Plant, equipment and machinery	2 to 30
Buildings	25
Furniture and fixtures	3 to 5
Leasehold improvements	3 to 4
Computer equipment	3
Vehicles	3 to 5

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within profit and loss in the consolidated statement of comprehensive income.

Capital work in progress is stated at cost. When commissioned, capital work in progress is transferred to property, plant and equipment and depreciated in accordance with the Group's policies.

2.4 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations, which

are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations cover a period to the end of useful life of the assets. For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets' or cash-generating units' recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss.

2.5 Financial assets

(a) Classification

The Group classifies its financial assets as at amortised cost, fair value through profit and loss and fair value through other comprehensive income. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows except for financial assets which are considered as equity instrument.

(i) Classification of financial assets at fair value through profit and loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. However, the Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

one profit or loss is determined individually. It is either amortised over life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(c) Subsequent measurement

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost:* Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Profit income from these financial assets, if any, is included in finance income using the effective profit rate method.
- *Fair value through other comprehensive income (FVTOCI):* Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and profit, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, profit income, if any and foreign exchange gains and losses which are recognised in profit and loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Profit income, if any, from these financial assets is included in finance income using the effective profit rate method.

- *Fair value through profit or loss (FVTPL):* Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in the statement of comprehensive income and presented net in the statement of comprehensive income within other gains/(losses) in the year in which it arises. Profit income, if any, from these financial assets is recognised in profit and loss

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's

management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the statement of comprehensive income as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other income/(losses) in the consolidated statement of comprehensive income, as applicable.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

(iii) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and is computed based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

As trade receivables held by the Group have short credit period (i.e. tenor less than or equal to 12 months and does not comprise significant financing component), the Group applies simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised for receivables.

The Group monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking information.

For financial assets at amortised cost, at the end of each year the Group applies a three stage impairment approach to measure the expected credit losses (ECL).

The ECL three stage impairment is based on the change in the credit quality of financial assets since

The financial assets of the Group are as follows:

(in AED'000)

Particulars	Carrying amount	
	2024	2023
Trade and other receivables excluding prepayments and advances (Note 11)	182,572	215,632
Financial assets at fair value through profit and loss (Note 13)	25,466	10,000
Term deposits (Note 14)	30,264	27,500
Cash and cash equivalents (Note 15)	1,936,627	538,780
Due from related parties (Note 12)	18,076	8,821
Financial assets at amortised cost (Note 8)	1,324,787	1,343,891
Financial assets at fair value through other comprehensive income (Note 9)	55,709	54,153

(b) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset, including trade receivables, at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the consolidated statement of comprehensive income. Immediately after initial recognition, an expected credit loss

(ECL) allowance is recognised for financial assets measured at amortised cost and at fair value through other comprehensive income (FVTOCI), which results in accounting loss being recognised in profit or loss when an asset is newly originated. When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Group recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- In all other cases, the difference is deferred and the time of recognition of deferred day

initial recognition. If, at the reporting date, the credit risk of non-impaired financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and an allowance for credit losses that is measured, at each reporting date, at an amount equal to 12-month expected credit losses is recorded. When there is a significant increase in credit risk since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and an allowance for credit losses that is measured, at each reporting date, at an amount equal to lifetime expected credit losses is recorded. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to Stage 1 (i.e. recognition of 12-month expected credit losses).

When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance for credit losses equal to lifetime expected losses continues to be recorded or the financial asset is written off. The profit income, if any, is calculated on the gross carrying amount for financial assets in Stages 1 and 2 and on the net carrying amount for financial assets in Stage 3.

(iv) Significant increase in credit risk

In assessing whether the credit risk on its financial instrument has increased significantly since initial recognition, the Group compares the probability of a default occurring on the financial instrument as at the reporting date with the probability of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate.

In assessing whether the credit risk on its financial instrument has increased significantly since initial recognition, the Group compares the probability of a default occurring on the financial instrument as at the reporting date with the probability of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate. The Group's ECL

model continues to be sensitive to macroeconomic variables and the Group continues to reassess its position.

(v) Definition of default

The definition of default used by the Group to measure ECLs and transfer financial instruments between stages is consistent with the definition of default used for internal credit risk management purposes. The Group considers a financial asset to be credit-impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The Group considers the customer to be in default if the outstanding balance is 90 days past due.

(vi) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, and all the efforts for collection of the receivables are exhausted.

Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(vii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

ECLs for all financial instruments are recognised in the consolidated statement of comprehensive income as a separate line item. In the case of debt instruments measured at amortised cost, they are presented net of the related allowance for expected credit loss on the consolidated statement of financial position.

(d) Derecognition

Financial assets (or, where applicable, a part of a financial asset) are derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either:
 - The Group has transferred substantially all the risks and rewards of the asset; or
 - The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(i) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amounts reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

2.6 Intangible assets

Rights to charge users

Right to charge users acquired are recognised at fair value at acquisition date. They have a finite useful life of 30 years and are subsequently carried at cost less accumulated amortisation and impairment losses.

2.7 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. The cost of inventories is based on the weighted average method and includes expenditures incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.8 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating

cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less the provision for impairment.

2.9 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, current accounts with banks and bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risks of changes in value.

2.10 Bank borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed.

2.11 Government grants

The Government of Dubai granted certain plots of land to the Company for use in its principal activities as set out in Note 1. The land is recorded in the books, as and when the grant is made, at the fair market value on the date of grant, carried out by an independent firm of real estate consultants. These grants are credited to deferred government grants in the consolidated statement of financial position and are recognised as income over the useful life of the plant constructed on the land. Return of land to the Government of Dubai prior to commencement of construction of the plant is adjusted against deferred government grants in the consolidated statement of financial position.

As set out in Note 1, the Company became an entity controlled by DEWA effective from 23 November 2009. All land plots received by the Company from the Government of Dubai after 23 November 2009 are accounted for as contributed capital in the consolidated statement of changes in equity, as DEWA is a publicly traded company with the majority of its ownership held by the Government of Dubai.

2.12 Employees end of service benefits

In accordance with UAE labour law, the Group provides end of service benefits to its employees. The entitlement to these benefits is usually based upon the employees' salary and length of service, subject to the completion of a minimum service period.

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

(b) Post employment obligations

The Group provides post-employment defined benefit plan which is currently unfunded. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of comprehensive income.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement

of financial position. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The Group has also joined the pension scheme operated by the Federal General Pension and Social Security Authority. Accordingly, contributions for eligible UAE National employees are made and recorded as employee benefit expense in the period to which employee service relates in the consolidated statement of comprehensive income, in accordance with the provisions of Federal Law No. 7 for 1999 relating to Pension and Social Security Law. The Group has no further payment obligation once the contribution has been made.

2.13 Trade payables and provisions

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as interest expense.

Security deposits from customers are received as collateral against their dues for the charges levied for district cooling services provided. These are payable immediately on the termination of services or

closure of the customer account on final settlement. Accordingly, it has been considered as current liability and part of the Trade and other payables.

2.14 Leases

The Group's leasing activities includes lease of equipment and building lease for period of 15 years and 1 year respectively. At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involved the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the Group has the right to direct the use of the asset if either:
 - the Group has the right to operate the asset; or
 - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At the inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

(a) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liabilities.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its prevailing incremental borrowing rate (at the time of contract signing or renewal date) as the discounted rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or terminate option.

Lease liabilities are subsequently increased by the finance costs on the lease liabilities and decreased by lease payments made.

Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(c) As a lessor

When the Group acts as a lessor, it determines at the lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risk and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease. If not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When assets are leased out under an operating lease, the asset is included in the consolidated statement of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue'.

2.15 Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the functional currency of the Company and its subsidiaries, and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary

assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

2.16 Revenue recognition

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

- Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- 1) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- 2) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 3) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue comprises the fair value of consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities and is shown net of discounts and allowances.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described overleaf:

(a) District cooling services

Demand and consumption charges revenue comprises of available capacity and variable output provided to customers and is recognised when services are provided.

Energy transfer station (ETS) service charges relates to services provided for ETS at customers' buildings and are recognised at the time services are rendered.

Connection charges revenue relates to connecting the individual customer units and is recognised over the period of providing district cooling services.

Other revenue comprises services that are recognised as and when services are rendered.

(b) Pre-insulated pipes

Revenue from the sale of pre-insulated pipes is recognised when goods are sold.

2.17 Interest income

Interest income on financial assets at amortised cost and financial assets at FVTOCI is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-

impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income from financial assets at FVTPL is included in the net fair value gains/(losses) on these assets.

2.18 Share Capital

Ordinary shares are classified as equity.

2.19 Dividends

The Group recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised. As per the laws and regulation applicable in UAE, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.20 Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit/(loss) attributable to the ordinary shareholders of the Group by the weighted average numbers of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting the weighted average number of equity shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group does not have any dilutive potential ordinary shares.

2.21 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. The Group has determined that the Board of Directors, are the chief operating decision-makers as per the requirements of IFRS 8 Operating Segments.

2.22 Investment properties

Investment properties comprise building under construction held with the intention to earn rentals or for capital appreciation or both. Investment properties are stated at cost net of accumulated depreciation and/or accumulated impairment losses. Cost is defined either as cost of construction/acquisition or deemed cost, being the fair value determined by the

experienced valuer at the date of recognition of the asset within investment properties, less accumulated depreciation and/or impairment losses.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is in accordance with the policy stated under property, plant and equipment at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

When the development of investment property commences, it is classified under capital work-in-progress until development is complete, at which time it is transferred to the respective category and depreciated using the straight-line method at rates calculated to reduce the cost of assets to their estimated residual values over their expected useful lives.

Land is not depreciated. Expenditure towards preparation of land for development is added to land value.

Capital work-in-progress is stated at cost less any impairment in value. It includes construction, administrative, borrowing costs and other costs directly attributable to the development of the project.

At reporting date, the carrying value of capital work-in-progress is allocated to property, plant and equipment, investment properties, based on their determined use.

2.23 Current and deferred income tax

Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge / (credit) comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Taxable profits or losses are based on estimates if the consolidated financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. Deferred tax liabilities are not recorded for temporary differences on initial recognition of goodwill, and subsequently for goodwill which is not deductible for tax purposes. Deferred taxes are recorded on temporary differences arising after initial recognition of goodwill, including those arising on initial introduction of the tax law in the UAE. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient future taxable profit available against which the deductions can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal. The Group does not recognise deferred tax liabilities on such temporary differences except to the extent that management expects the temporary differences to reverse in the foreseeable future.

3. Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks including the effects of changes in market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the management under policies approved by the Board of Directors.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include bank borrowings, term deposits, financial assets at fair value through other comprehensive income, financial assets at fair value through profit and loss and lease liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's exposure to market risk arises from:

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's

functional currency. The Group does not have any significant foreign currency exposure, as majority of the transactions are denominated in AED or currencies pegged to AED.

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all the instruments traded in the market.

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either as at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL"). To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Diversification of the portfolio is done in accordance with the limits set by the Group.

The Group's investment in FVTOCI is publicly traded in Nasdaq. The Group has no significant exposure to price risk on FVTPL as it is based on fixed price index.

Sensitivity

The following table summarises the impact of increases/decreases of the Nasdaq index on the group's post-tax profit for the period. The analysis is based on the assumption that the index had increased by 1% or decreased by 1%, with all other variables held constant, and that all of the Group's financial instruments moved in line with the index.

(in AED'000)		
	2024	2023
Nasdaq index-increase 1%	548	539
Nasdaq index -decrease 1%	(548)	(539)

Amounts recognised in profit or loss and other comprehensive income

The amounts recognised in profit or loss and other comprehensive income in relation to the investment held at fair value through other comprehensive income by the Group is disclosed in note 9.

(iii) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk on its interest bearing assets and liabilities (borrowings and lease liabilities). The Group's main interest rate

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risk arises from borrowings with variable rates as all borrowings of the Group are variable which expose the Group to cash flow interest rate risk. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its consolidated statement of financial position and cash flows. Interest rates may increase as a result of such changes, but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken. The Group does not hedge its exposure to interest rate risk.

At 31 December 2024, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, profit for the year would have been AED 38,677 thousand (2023: AED 37,864 thousand) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

The exposure of the Group's borrowing to interest rate changes and the contractual re-pricing dates of the interest rate borrowings at the end of the reporting period are as follows:

(in AED'000)

	2024	2023
<i>Interest rate – re-pricing dates:</i>		
3 months or less	5,498,415	4,492,431

Further, at 31 December 2024, if interest rates on lease liability had been 1% higher/lower with all other variables held constant, post-tax profit for the year ended 31 December 2024 would have been lower by AED 36 thousand (2023: AED 23 thousand) mainly as a result of higher interest expense and would have been higher by AED 36 thousand (2023: AED 24 thousand) mainly as a result of lower interest expense.

(b) Credit risk

The Group has seven types of financials assets which are exposed to credit risk:

- cash at bank and short term bank deposits
- trade receivables
- due from related parties
- financial assets at amortised cost

- financial assets at fair value through other comprehensive income (FVTOCI)
- financial assets at fair value through profit or loss (FVTPL)
- all other financial assets

Deposits for district cooling services are obtained from customers before the provision of any services, which are held as security in order to mitigate credit risk in case of default by customers.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a good rating are accepted.

For trade receivables and due from related parties, if customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by the legal department.

The group's investments in equity instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

(ii) Financial assets at amortised cost

During 2021, the Group recognised a financial asset through the acquisition of Empower Snow LLC from Nakheel PJSC, a related party. The financial asset derives from the minimum demand load commitment by Nakheel PJSC in the signed Master Concession Agreement.

During 2023, the Group recorded a financial asset which represents receivable from DACC (grantor) under IFRIC 12 as a result of acquisition of DXB Cool (Note 8).

The table overleaf discloses the changes in the credit loss allowance and gross carrying amount for the financial asset between the beginning and the end of the reporting period:

(in AED'000)

Item	Credit loss allowance			Gross carrying value		
	Stage 1 (12 months ECL)	Stage 2 (Lifetime ECL for SICR)	Stage 3 (Lifetime ECL for credit impaired)	Stage 1 (12 months ECL)	Stage 2 (Lifetime ECL for SICR)	Stage 3 (Lifetime ECL for credit impaired)
Financial asset at amortised cost						
At 1 January 2023	-	-	-	305,157	-	-
Movements with impact on credit loss allowance charge for the year	-	-	-	-	-	-
New originated or purchased	-	-	-	1,050,000	-	-
Total impact with impact on credit loss charge during the year	-	-	-	1,355,157	-	-
Repayment during the year	-	-	-	(49,977)	-	-
Unwinding of interest income during the year	-	-	-	38,711	-	-
As 31 December 2023	-	-	-	1,343,891	-	-
Financial asset at amortised cost	-	-	-	-	(850,000)	-
At 1 January 2024	-	-	-	1,343,891	-	-
Movements with impact on credit loss allowance charge for the year	-	-	-	-	-	-
New originated or purchased	-	-	-	-	-	-
Total impact with impact on credit loss charge during the year	-	-	-	1,343,891	-	-
Repayment during the year	-	-	-	(78,255)	-	-
Unwinding of interest income during the year	-	-	-	59,151	-	-
As 31 December 2024	-	-	-	1,324,787	-	-

Credit risk grading

For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies an Internal Risk-Based rating system. Internal credit ratings are mapped on an internally defined master scale with a specified range of historical loss rate as disclosed in the table below:

Grade	Risk rating	Definition
Grade 1	1-12	Low risk
Grade 2	13-17	Satisfactory risk
Grade 3	18-20	High risk
Grade 4	21-25	Watch list
Grade 5	50,60,70,80	Impaired

The Group considers the credit quality of the balance to be low risk due to Nakheel PJSC and DACC being government entities. While the balance is subject to impairment requirement, the identified impairment loss was immaterial.

Trade receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables and unearned revenues have been grouped based on shared risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The expected credit loss on trade receivables is disclosed in Note 11.

Cash at bank and short-term bank deposits

Particulars	Source	2024	2023
A	Moody's	-	25
A+	Fitch	135,847	40,220
Ba1	Moody's	1,022,848	10,245
Ba2	Moody's	6	6
Baa1	Moody's	20,317	11,923
Baa2	Moody's	188,657	9,218
Baa3	Moody's	566,261	462,241
BBB+	Fitch	2,687	4,860
Caa2	Moody's	4	-
Caa3	Moody's	-	42
		1,936,627	538,780

The Group seeks to limit its credit risk to banks by only dealing with reputable banks, and independently rated parties with a minimum of investment grade ratings are accepted. No significant impairment provision was required on cash and cash equivalents as credit risk was considered minimal.

Financial assets at fair value through profit and loss and fair value through other comprehensive income

Financial assets at FVTPL and FVTOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers

low credit risk for these investments as they are held with reputable institutions.

All other financial assets

For all other financial assets, the Group recognises expected credit loss when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the end of the reporting period or an actual default. No impairment provision was required on other financial assets as credit risk was considered minimal.

Due from related parties

While due from related parties are also subject to the impairment requirement of IFRS 9, the identified impairment loss was immaterial.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. Cash flow forecasting is performed by the management which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio targets.

The table overleaf summarises the Group's financial liabilities into the relevant maturity groupings based on the remaining contractual maturity period at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying amounts, as the ultimate amounts to be realised is not significantly different from the carrying amounts.

(in AED'000)

Item	Carrying amount	Total contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
At 31 December 2024					
Bank borrowings (including interest) (Note 19)	5,498,415	6,248,610	273,516	5,975,094	-
Trade and other payables (excluding deferred revenues and including non-current retention payable) (Note 22)	1,173,732	1,173,732	1,173,732	-	-
Current tax liabilities (Note 28)	88,953	88,953	88,953	-	-
Lease liabilities (including interest) (Note 6)	5,551	5,717	5,556	161	-
Due to related parties (Note 12)	159,372	159,372	159,372	-	-
	6,926,023	7,676,384	1,701,129	5,975,255	-
At 31 December 2023					
Bank borrowings (including interest) (Note 19)	4,492,438	5,191,643	272,142	4,919,501	-
Trade and other payables (excluding deferred revenues and including non-current retention payable) (Note 22)	1,079,507	1,079,507	1,079,507	-	-
Lease liabilities (including interest) (Note 6)	4,081	4,300	3,638	418	244
Due to related parties (Note 12)	135,953	135,953	135,953	-	-
	5,711,979	6,411,403	1,491,240	4,919,919	244

During 2022, the Group obtained a bank loan of AED 5,500,000 thousand which was partially refinanced during the year 2024 and disclosed in Note 19. There has been no other change in the contractual undiscounted cash outflows for financial liabilities during the year.

Net cash generated from operating activities has increased by AED 432,811 thousand (2023: decreased by AED 33,045 thousand) from AED 1,391,591 thousand for the year 2023 to AED 1,824,402 thousand for the year.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for the other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by the total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

The gearing ratios as at 31 December 2024 and 31 December 2023 were as follows:

(in AED'000)

Particulars	2024	2023
Total borrowings (Note 19)	5,498,415	4,492,438
Less: cash and cash equivalents (Note 15)	(1,936,627)	(538,780)
Net debt	3,561,788	3,953,658
Total equity	3,373,335	3,311,001
Total capital	6,935,123	7,264,659
Gearing ratio	51.36%	54.42%

The Group manages the risk by closely monitoring the gearing ratio and by restricting the dividend payout if required.

3.3 Fair value estimation

As at 31 December 2024 and 2023, the fair values of the Group's financial instruments are estimated to approximate their carrying values since the financial instruments are short term in nature, carry interest rates which are based on prevailing market interest rates and are expected to be realised at their current carrying values within twelve months from the date of the consolidated statement of financial position. The fair values of the non-current financial liabilities are estimated to approximate their carrying values as these carry interest rates which are based on prevailing market interest rates.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the

measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4. Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are charged to the statement of comprehensive income.

The impairment provisions are determined as the difference between the carrying value of these assets (before impairment charge) and the recoverable amount. The recoverable amount is determined as the higher of "value-in-use" calculations, using pre-tax cash flow projections as approved by the management or fair value less cost to sell.

An impairment charge of AED 919 thousand related to project cost (non-financial asset) has been

recognised during the year ended 31 December 2024 (2023: Nil), following management's impairment review.

(b) Useful lives of property, plant and equipment

The Group determines the estimated useful lives of its property, plant and equipment for calculating depreciation / amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The Group reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the Group believes the useful lives differ from previous estimates.

(c) Acquisition of DXB COOLCO FZCO

During the year ended 31 December 2023, EMPOWER entered into an agreement with DACC to acquire 85% of DXB Cool. The purpose of DXB Cool is to provide district cooling services to Dubai Airports Corporation ("DAC"), fully managed by EMPOWER. Although certain foundation documents with respect to DXB Cool provide the second shareholder (DACC) with certain decision-making rights, which are deemed to be protective rights given the strategic nature of the transaction and its importance to the Government of Dubai, the management assessed that based on provisions in the foundation documents, EMPOWER has adequate rights to make strategic, operational and financial decisions unilaterally. On that basis, the management concluded that EMPOWER has control over DXB Cool.

5. Property, plant and equipment

(in AED'000)

Particulars	Land	Plant, equipment and machinery	Buildings	Furniture and fixtures	Leasehold improvements	Computer equipment	Vehicles	Capital work-in-progress	Total
At 1 January 2023	432,364	8,780,427	70,709	18,350	11,890	42,421	8,566	393,368	9,758,095
Additions	-	5	-	766	-	59	305	274,490	275,625
Reversal of accrual	-	(1,865)	-	-	-	-	-	-	(1,865)
Transfers	-	410,273	-	1,602	565	2,465	3,121	(418,026)	-
Disposals and write offs	-	(26,577)	-	(26)	-	(5)	-	-	(26,608)
At 31 December 2023	432,364	9,162,263	70,709	20,692	12,455	44,940	11,992	249,832	10,005,247
Additions	-	-	-	1,411	170	1,769	557	432,092	435,999
Transfers	-	309,301	-	-	-	1,213	-	(310,514)	-
Transfer to Investment properties (Note 37)	-	-	-	-	-	-	-	(32,370)	(32,370)
Disposals and write offs	-	(11,911)	-	(25)	-	-	(446)	-	(12,382)
At 31 December 2024	432,364	9,459,653	70,709	22,078	12,625	47,922	12,103	339,040	10,396,494

During 2022, the Group returned 11 plots of land to a related party, which were granted in previous years for the purpose of constructing the district cooling plants. Accordingly, the carrying amount of AED 59,382 thousand was reversed from property, plant and equipment and the corresponding deferred government grant (Note 20). District cooling assets with a net book value of AED 307,112 thousand are developed on some of these plots of land. Management signed a Master Land Agreement and Exclusivity and Framework Agreement in 2022 with the related party granting the Group unlimited access over 8 plots. The Master Land Agreement refers to a separate lease agreement which is yet to be executed between the Group and the related party over these plots on fair and reasonable terms, for a nominal value. The term of such lease agreements will be for a period no shorter than the term remaining under the master development agreement or the period as agreed in the relevant lease agreements and that EMPOWER will continue to have uninterrupted and unencumbered use of the plots until the relevant lease agreements are entered into.

Capital work-in-progress balances include costs of constructing district cooling plants and networks pertaining to various projects. During the year 2024, the transfer to plant, equipment and machinery from capital work in progress represents additions mainly to district cooling projects.

(in AED'000)

Particulars	Land	Plant, equipment and machinery	Buildings	Furniture and fixtures	Leasehold improvements	Computer equipment	Vehicles	Capital work-in-progress	Total
Accumulated depreciation and impairment									
At 1 January 2023	-	2,645,559	31,760	16,838	10,879	36,187	5,839	17,094	2,764,156
Charge for the year	-	324,474	2,785	1,410	900	2,359	956	-	332,884
Disposals and write offs	-	(26,577)	-	(26)	-	(5)	-	-	(26,608)
At 31 December 2023	-	2,943,456	34,545	18,222	11,779	38,541	6,795	17,094	3,070,432
Charge for the year	-	333,610	2,785	1,995	258	2,207	1,477	-	342,332
Disposals and write offs	-	(11,911)	-	(25)	-	-	(413)	-	(12,349)
Impairment charge for the year	-	-	-	-	-	-	-	919	919
At 31 December 2024	-	3,265,155	37,330	20,192	12,037	40,748	7,859	18,013	3,401,334
Net book amount									
31 December 2024	432,364	6,194,498	33,379	1,886	588	7,174	4,244	321,027	6,995,160
31 December 2023	432,364	6,218,807	36,164	2,470	676	6,399	5,197	232,738	6,934,815

Depreciation expense of AED333,610 thousand (2023: AED 324,474 thousand) has been charged to 'cost of sales' (Note 25) and AED 8,722 thousand (2023: AED 8,410 thousand) to 'general and administrative expenses' (Note 26).

6. Right-of-use assets and lease liabilities

The Group primarily enters into equipment leases in relation to semi-permanent plants leased from DEWA for a term of 15 years (with an extension option), a head office and labour accommodation lease for a term of 1 year only. The new head office building (under construction) is anticipated to be ready before the end of 2025.

(in AED'000)

Particulars	Equipment	Buildings	Total
At 1 January 2023	1,730	9,951	11,681
Additions	-	4,284	4,284
Modification of right-of-use assets*	(551)	-	(551)
At 31 December 2023	1,179	14,235	15,414
Additions	2,650	4,036	6,686
Modification of right-of-use assets*	(1,177)	-	(1,177)
At 31 December 2024	2,652	18,271	20,923
Accumulated depreciation			
At 1 January 2023	924	7,814	8,738
Charge for the year	154	3,004	3,158
Modification of right-of-use assets*	(476)	-	(476)
At 31 December 2023	602	10,818	11,420
Charge for the year	1,174	3,418	4,592
Modification of right-of-use assets*	(602)	-	(602)
At 31 December 2024	1,174	14,236	15,410
Net book amount			
31 December 2024	1,478	4,035	5,513
31 December 2023	577	3,417	3,994

The Group recognised lease liabilities as follows:

(in AED'000)

Particulars	2024	2023
At 1 January	4,081	3,071
Additions during the year	6,686	4,284
Interest on lease liabilities	230	104
Remeasurement of lease liabilities*	(664)	(98)
Paid during the year	(4,782)	(3,280)
At 31 December	5,551	4,081
Less: current portion	(5,392)	(3,497)
Non-current portion	159	584

*During the year, the Group terminated certain lease agreements with DEWA. As a result, the Group accounted for the modification of the lease and the corresponding right-of-use asset and lease liability were remeasured. The gain arising from the modification of lease amounting to AED 89 thousand (2023: AED 23 thousand) was recognised in the consolidated statement of comprehensive income.

Interest expense included in finance costs amounted to AED 230 thousand (2023: AED 104 thousand) (Note 30). There were no expenses relating to variable lease payments. The total cash outflows for leases, including finance costs, during the year amounted to AED 4,782 thousand (2023: AED 3,280 thousand).

The expenses related to short-term leases and leases of low-value assets that are included in general and administrative expenses are as follows:

(in AED'000)

Particulars	2024	2023
Expense relating to short-term leases (Note 26)	504	593

7. Intangible assets

(in AED'000)

Cost	2024	2023
At 1 January	339,982	352,139
Amortised during the year (Note 25)	(12,157)	(12,157)
At 31 December	327,825	339,982

Intangible assets of the Group represent rights to charge users that have been acquired and recognised at fair value as of the acquisition date. These assets have a useful life of 30 years.

8. Financial assets at amortised cost

(in AED'000)

Particulars	2024	2023
At 1 January	1,343,891	305,157
Additions during the year (Note 32)	-	1,050,000
Interest earned during the year	59,151	38,711
Settlement during the year	(78,255)	(49,977)
At 31 December	1,324,787	1,343,891
Less: current portion	(19,949)	(19,105)
Non-current portion	1,304,838	1,324,786

The opening balance of the financial assets at amortised cost on 1 January 2023 represents receivable from Nakheel PJSC (Note 12) in relation to acquisition of Empower Snow LLC (formerly Snow LLC) during 2021.

Additions during the previous year represent financial asset receivable from DACC (grantor) under IFRIC 12 as a result of the acquisition of DXB Cool (Note 32). The financial asset is initially recognised at fair value and subsequently measured at amortised cost. The fair value of the financial asset is the transaction price which is agreed between the market participants through a competitive bidding process. The fair value is determined using the discounted cash flow techniques, the inputs into the valuation techniques includes contractual cash flows and interest rates.

The balance of financial assets at amortised cost as above represents receivable of:

- AED 296,600 thousand (2023: AED 301,003 thousand) from Nakheel PJSC, an entity under common control, in relation to acquisition of Empower Snow LLC (formerly Snow LLC) during 2021 and;
- AED 1,028,187 thousand (2023: AED 1,042,888 thousand) from DACC, an entity under common control, in relation to acquisition of DXB Cool during 2023.

The financial assets are categorised within level 3 of the fair value hierarchy which approximates its carrying value.

9. Financial assets at fair value through other comprehensive income (FVTOCI)

(in AED'000)

Particulars	2024	2023
At 1 January	54,153	52,911
Interest accrued	643	-
Gain recognised during the year	913	1,242
At 31 December	55,709	54,153

During the year, the following amounts were recognised in profit or loss and other comprehensive income:

(in AED'000)

Particulars	2024	2023
Gain recognised in other comprehensive income	913	1,242
Interest income from equity investments held at FVTOCI recognised in profit or loss (Note 30)	3,305	3,947

The Group has invested in Tier 1 Capital Certificates ("Bonds"), which have been issued at their par value. These Bonds are perpetual instruments and are listed. The bonds carry a non-cumulative interest of 6% per annum, payable semi-annually at the discretion of the issuer.

In accordance with IFRS 9, the Group has elected to classify these Bonds as financial assets at fair value through other comprehensive income, as they are not held for trading purposes. As a result, changes in the fair value of these Bonds has been recorded in other comprehensive income.

10. Inventories

(in AED'000)

Particulars	2024	2023
Spares and consumables for district cooling services	37,412	36,143
Pre-insulated pipes	16,766	7,976
Provision for impairment of slow moving and obsolete inventories	(389)	(389)
	53,789	43,730

The cost of inventories recognised as expense and included in 'cost of sales' is AED 13,695 thousand (2023: AED 11,662 thousand) (Note 25).

11. Trade and other receivables

(in AED'000)

Particulars	2024	2023
Trade receivables	185,829	226,508
Accrued revenues	38,313	49,488
	224,142	275,996
Less: Provision for expected credit losses	(57,215)	(74,697)
	166,927	201,299
<i>Other financial assets at amortised cost</i>		
Other receivables	15,645	14,333
<i>Other assets</i>		
Advance to contractors / suppliers	75,112	89,915
Prepayments	17,596	13,547
	92,708	103,462
	275,280	319,094

Other receivables includes a deposit of AED 4,490 thousand (2023: AED 4,490 thousand) receivable from DEWA (Note 12).

As at 31 December 2024, the Group faced a concentration of credit risk with three customers (2023: three customers) which accounted for 21.4% (2023: 31.9%) of the trade receivables at that date. Management has recorded a provision of AED 24,278 thousand (2023: AED 32,962 thousand) against these customers.

Management is of the opinion that this concentration of credit risk from customers will not result in a further loss.

As at 31 December 2024, the movement in the allowance for impairment of receivables is as follows:

(in AED'000)

Particulars	2024	2023
At 1 January	74,697	74,697
Reversal for the year	(17,482)	-
Balance at the end of the year	57,215	74,697

The table overleaf provides a detailed analysis of the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base for the majority of customers.

11. Trade and other receivables (continued)

As at 31 December, the aging analysis of trade receivables is as follows:

(in AED'000)

Particulars	Total	Not yet due	0 to 30 days	31 to 90 days	91 to 120 days	121 to 180 days	181 to 365 days	> 365 days
2024								
Trade receivables and accrued revenue (AED '000)	224,142	38,313	69,830	30,923	11,615	8,110	13,498	51,853
Provision %	25.50%	0%	2.10%	10.60%	32.20%	47.40%	61.00%	70.60%
Provision (AED'000)	57,215	-	1,498	3,276	3,742	3,842	8,232	36,625
Net trade receivables and accrued revenue (AED'000)	166,927	38,313	68,332	27,647	7,873	4,268	5,266	15,228
2023								
Trade receivables and accrued revenue (AED '000)	275,996	49,488	62,269	44,561	11,595	12,679	19,379	76,025
Provision %	27.10%	0%	1.90%	11.50%	24.60%	57.90%	58.00%	61.70%
Provision (AED'000)	74,697	-	1,204	5,113	2,855	7,344	11,239	46,942
Net trade receivables and accrued revenue (AED'000)	201,299	49,488	61,065	39,448	8,740	5,335	8,140	29,083

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group holds security deposits of AED 492,212 thousand (2023: AED 456,361 thousand) (Note 22) as collateral against receivables. Other classes of trade and other receivables do not contain impaired assets.

12. Transactions and balances with related parties

Related parties include the shareholders, key management personnel, subsidiaries, joint venture, directors and businesses which are controlled directly or indirectly by the shareholders or directors or over which they exercise significant management influence. The Group has availed the exemption in accordance with paragraph 25 of IAS 24 Related Party Disclosure and consider the entities (other than disclosed below) controlled by Government of Dubai as non-related.

(in AED'000)

Particulars	2024	2023
Transactions with related parties		
<i>Services rendered to entities under common control of shareholders</i>		
Dubai Properties Group LLC	160,533	153,660
Nakheel PJSC	157,189	-
Meraas Holding LLC	61,618	39,051
Jumeirah Group LLC	62,718	51,341
Tecom Investments FZ LLC	66,786	68,072
Global Village Dubai LLC	654	698
	509,498	312,822
<i>Acquisition of DXB Cool</i>		
Dubai Aviation City Corporation (DACC)	-	892,500
<i>Dividend to shareholders</i>		
Emirates Power Investment LLC*	204,000	204,000
Dubai Electricity and Water Authority PJSC	476,000	476,000
	680,000	680,000
<i>Services received from shareholder</i>		
Dubai Electricity and Water Authority PJSC	1,442,388	1,277,023
<i>Services rendered to entities under common control of Ultimate parent</i>		
Dubai Airports Corporation (DAC)	258,039	107,535
<i>Services received from entities under common control of Ultimate parent</i>		
Finance cost from Emirates NBD PJSC	277,056	252,751
<i>Key management remuneration</i>		
Board of directors' remuneration (Note 26)	5,880	7,000
<i>Compensation of key management personnel</i>		
Short term benefits	9,659	9,694
End of service benefits	520	520
	10,179	10,214

*On 9 May 2022, TECOM transferred its 30% interest in the Group to Emirates Power Investment LLC, an entity under common control as detailed in Note 1.

12. Transactions and balances with related parties (continued)

Balances with related parties

(in AED'000)

Particulars	2024	2023
Due from related parties		
<i>Shareholders</i>		
Dubai Electricity and Water Authority PJSC	-	4
Emirates Power Investment LLC	-	2
	-	6
<i>Entities under common control of shareholders</i>		
Jumeirah Group LLC	2,566	2,311
Meraas Holding LLC	371	602
Tecom Investments FZ LLC	140	3,762
Others	31	65
	3,108	6,740
<i>Others</i>		
Dubai Airports Corporation (DAC)	14,708	2,075
Dubai Aviation City Corporation (DACC)	260	-
	18,076	8,821
Due to related parties		
<i>Shareholder</i>		
Dubai Electricity and Water Authority PJSC	124,321	113,854
<i>Entities under common control of shareholder</i>		
Dubai Properties Group LLC	17,270	17,955
Dubai Airports Corporation (DAC)	6,869	-
Nakheel PJSC	10,412	-
Dubai Holding LLC	-	3,708
	34,551	21,663
Others	500	436
	159,372	135,953
Amounts included in bank borrowings, financial assets at amortised cost, cash and cash equivalents and trade and other receivables		
<i>Shareholder</i>		
Dubai Electricity and Water Authority PJSC	4,490	4,490
<i>Entities under common control of shareholder</i>		
Emirates NBD PJSC	5,556,869	4,498,463
Dubai Islamic Bank	1,022,820	6,892
Emirates Islamic Bank	135,847	40,220
Dubai Aviation City Corporation (DACC)	1,028,187	1,042,888
Nakheel PJSC	296,600	301,003

13. Financial assets at fair value through profit or loss (FVTPL)

(in AED'000)

Particulars	2024	2023
Investment in National Bonds	25,466	10,000

14. Term deposits

(in AED'000)

Particulars	2024	2023
Short-term bank deposits – more than 3 months	30,264	27,500

The term deposits held by the Group have original maturities of more than 3 months. These short-term bank deposits bear an effective interest rate ranging from 4.55% to 5.75% per annum (2023: 5.50% to 5.75% per annum).

Term deposits are presented as cash equivalents only if they have a maturity of three months or less from the date of original maturity or are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value.

15. Cash and cash equivalents

(in AED'000)

Particulars	2024	2023
Cash at bank	394,761	168,980
Short-term bank deposits – less than 3 months	1,541,866	369,800
	1,936,627	538,780

Bank balances are held with branches of local and international banks. Short-term bank deposits bear an effective interest which ranges between 3.50% to 5.45%. (2023: 3.75% to 5.45% per annum).

16. Share capital

(in AED'000)

Particulars	2024	2023
Authorised, issued and fully paid up share capital		
Ordinary shares of 10,000,000 thousand of AED 0.10 each	1,000,000	1,000,000

The authorised and paid up capital of the Company as at 31 December 2024 amounted to AED 1,000,000 thousand (2023: AED 1,000,000 thousand), of which AED 560,000 thousand (2023: AED 560,000 thousand) was contributed by DEWA, AED 240,000 thousand (2023: AED 240,000 thousand) was contributed by Emirates Power Investment LLC and AED 200,000 thousand (2023: AED 200,000 thousand) by public shareholders.

In accordance with Decree No. 22 of 2022 issued by the Ruler of Dubai on 14 October 2022, the share capital of the Company was structured as part of the Initial Public Offering (IPO) process as follows:

Number of shares	10,000,000 thousand
Par value per share	AED 0.10
Capital	AED 1,000,000 thousand

17. Statutory reserve

In accordance with the Articles of Association of the Company and its subsidiaries, 5% of the profit for the year is required to be transferred to the statutory reserve for each entity. Such transfers are required to be made until the reserve equals 50% of the share capital in each of the subsidiaries. This reserve is not available for distribution, except in circumstances stipulated in the commercial laws applicable to each entity. The transfer of profit to the statutory reserve has been suspended as the reserve has reached 50% of the paid-up share capital in prior years.

18. Contributed capital

In previous years, the Group received certain plots of land from the Government of Dubai, which were valued by an independent firm. As disclosed in Note 2.11, the value of such land, equivalent to AED 64,690 thousand, was treated as a capital contribution from the shareholders as the Company is controlled by DEWA, which is also controlled by the Government of Dubai.

During the year 2020, the Group also received 2 plots of land from Meydan City Corporation, with a value of AED 17,500 thousand.

The total contributed capital amounted to AED 82,190 thousand (2023: AED 82,190 thousand).

19 Bank borrowings

(in AED'000)

Particulars	31 December 2024	31 December 2023
Term loan	2,750,000	4,500,000
Interest accrued – net	388	-
Unamortised arrangement fee	(3,781)	(7,562)
Term loan, net	2,746,607	4,492,438
Revolving credit facilities	2,750,000	-
Interest accrued – net	1,808	-
Revolving credit facilities, net	2,751,808	-
Total Borrowings, net	5,498,415	4,492,438
Less: current portion	2,196	-
Non-current portion	5,496,219	4,492,438

The movement in bank borrowings during the year:

As at 1 January	4,492,438	4,489,586
Drawdown during the year*	4,749,358	-
Interest expense during the year (Note 30)	246,359	220,729
Interest capitalised during the year (Note 30)	55,489	46,819
Interest paid during the year	(299,010)	(267,548)
Principal repayment during the year	(3,750,000)	-
Arrangement fee charged to profit and loss	3,781	2,852
As at 31 December	5,498,415	4,492,438

*On 26 September 2024, the Group exchanged certain borrowing facilities with one of its existing lender which resulted in the following changes to the terms of the facilities:

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- Extension of the maturity date from 2025 to 2027.
- Reduction in interest margin.
- Change in the nature of the facilities from term loans to revolving facilities.

Pursuant to the requirements of International Financial Reporting Standard 9, the Group assessed whether the present value of the new cash flows under the new terms is at least 10% different from the present value of the remaining cash flows of the original liability, using the original effective interest rate, based on this quantitative test the difference is less than 10%.

The Group has adopted as its accounting policy to perform a qualitative assessment in addition to the quantitative test.

Management has considered the qualitative changes (e.g. change in the nature of the facilities from term loan to revolving credit facilities, extension of term, changes in interest margin) and concluded that those changes are substantial, and as such the exchange of the loan with the existing lender results in a new loan with substantially different terms compared to the original loan. Therefore, the arrangement was accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, at fair value.

The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in profit or loss, together with the related costs/fees incurred amounting to AED 3,781 thousand which includes the arrangement fee in relation to previous borrowings amounting to AED 2,406 thousand.

As of 31 December 2024, the Group has the following outstanding borrowing facilities;

(in AED'000)

Facility	Term	Interest rate	Amount
RCF – Conventional	3 Years	EIBOR + margin	1,375,000
RCF – Islamic	3 Years	EIBOR + margin	1,375,000
Term loan A2 – Conventional	5 Years	EIBOR + margin	1,375,000
Term loan B2 – Islamic	5 Years	EIBOR + margin	1,375,000
Total			5,500,000

Revolving credit facilities (RCF) are classified as non-current liabilities at the end of the reporting period as the Company has a right to defer settlement of these for at least 12 months after the reporting period. The Group is under discussion with the banks to refinance Term loan A2 & B2.

The maturity profile of the borrowings is as follows:

(in AED'000)

Particulars	31 December 2024	31 December 2023
Within one year	2,196	-
After one year but not more than three years	5,496,219	2,743,469
More than 3 years	-	1,748,969
	5,498,415	4,492,438

The change in financial covenants is not substantial and the facilities are guaranteed by the Company and Palm District Cooling LLC.

The undrawn term loan facilities are Nil as at 31 December 2024 (2023: AED 1,000,000 thousand) at a floating rate linked to EIBOR plus margin.

The Group had no outstanding balance in bank guarantees and letters of credits as at 31 December 2024 (2023: AED 3,842 thousand) which were fully payable to Emirates NBD PJSC, a related party for the Group (Note 33).

The Group has the financial bank covenants to maintain net debt to tangible net worth and net debt to EBITDA. The Group has complied with its financial covenants as at reporting period end.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing ranges between one to twelve months. The fair value of current borrowings equals their carrying amount, as the loans are priced based on EIBOR plus a margin.

20. Government grants

Government grants received prior to 23 November 2009 are recognised as income over the useful life of the plant constructed on the granted land. The current portion represents the expected release of the government grant for the plants currently in operation and those which are expected to be completed during next year. The actual amount of release may vary due to delay in completion/commencement of the operations of these plants.

(in AED'000)

Particulars	2024	2023
At 1 January	308,728	311,508
Released during the year (Note 29)	(2,780)	(2,780)
At 31 December	305,948	308,728
Less: current portion	(3,170)	(3,170)
Non-current portion	302,778	305,558

21. Provision for employees' end of service benefits

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations as at 31 December 2024 and 2023, using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE Labour Law. Under this method, an assessment has been made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service. Future salary increases have been estimated on a basis consistent with the natural progression of an employee's salary in-line with the Group's salary scales, past experience and market conditions.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit or loss and other comprehensive income:

(in AED'000)

Particulars	2024	2023
Current service cost	6,350	4,867
Interest cost	2,436	2,319
Net expense recognised in the consolidated statement of profit or loss	8,786	7,186
Actuarial gain recognised in the consolidated statement of comprehensive income	(3,427)	(7,432)

Changes in the present value of defined benefit obligations is as follows:

(in AED'000)

Particulars	2024	2023
At 1 January	54,666	56,035
Current service cost	6,350	4,867
Interest cost	2,436	2,319
Benefits paid during the year	(2,379)	(1,123)
Actuarial gain recognised in the consolidated statement of comprehensive income	(3,427)	(7,432)
At 31 December	57,646	54,666

Particulars	Less than 12 months	1 to 5 years	>5 years	Total
As at 31 December 2024				
Defined benefits obligation	6,773	35,281	32,789	74,843
	6,773	35,281	32,789	74,843
As at 31 December 2023				
Defined benefits obligation	10,914	27,882	30,010	68,806
	10,914	27,882	30,010	68,806

(in AED'000)

Particulars	2024	2023
United Arab Emirates	57,646	54,666
At 31 December	57,646	54,666

Management believes that no reasonably possible change in any of the below key assumptions would have material impact on the amounts disclosed in the consolidated financial statements.

The principal assumptions used in determining the provision for end of service benefit obligations are shown below:

(in AED'000)

Particulars	2024	2023
Discount rate per year	4.93%	4.25%
Salary increase per year	3%	3%

Contribution plan

The amount of pension contribution made by the Group for UAE Nationals during the year is AED 5,338 thousand (2023: AED 4,686 thousand).

22. Trade and other payables

(in AED'000)

Particulars	2024	2023
Deferred revenue	520,094	341,792
Refundable customers' security deposits (Note 11)	492,212	456,361
Project cost accruals	277,730	240,489
Project payables	93,539	75,796
Retentions payable	91,673	87,731
Other liabilities*	218,578	219,130
Total	1,693,826	1,421,299
Less: Non-current portion retentions payable	(16,189)	(18,036)
Current portion	1,677,637	1,403,263

*Other liabilities mainly include accrued expenses for water and electricity amounting to AED 37,967 thousand (2023: AED 36,742 thousand) which relates to a shareholder (Note 12), staff liabilities amounting to AED 50,715 thousand (2023: AED 50,080 thousand) and others.

Movement in deferred revenue is as follows:

(in AED'000)

Particulars	2024	2023
At 1 January	341,792	290,225
Billed during the year	1,397,092	1,231,736
Less: Income recognised during the year	(1,218,790)	(1,180,169)
At 31 December	520,094	341,792

Terms and conditions of the financial liabilities:

Trade payables and other financial liabilities are non-interest bearing and are normally settled on 60-90 day terms. Retentions payable are non-interest bearing and are normally settled in accordance with the terms of the contacts.

Revenue recognised in relation to deferred revenue

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

(in AED'000)

Particulars	2024	2023
Revenue recognised that was included in the contract liability balance at the beginning of the period	111,142	96,787
Revenue recognised from performance obligations satisfied in previous periods	-	-

Revenue is recognised at the point in time for connection fee to building owners at which the performance obligation is satisfied.

23. Revenues

(in AED'000)

Particulars	2024	2023
District cooling services	3,239,722	3,017,829
Sale of pre-insulated pipes	20,767	17,374
	3,260,489	3,035,203

24. Operating segments

The Group has determined that the Board of Directors, are the Chief Operating Decision-Makers ("CODM") per the requirements of IFRS 8 Operating Segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

The Board of Directors are also provided with multiple levels of information which comprise of revenue, gross profit and net profit, aggregated for higher level components by stream. The financial accounting system of the Group is currently configured in this manner and this information is readily available. However, for decision making purposes, the Board of Directors relies mainly on the revenue and net profit information that contains lower level components. Hence, the segment information provided is primarily to the net profit level of the Group.

For the Board of Directors, the Group is currently organised into two major operating and reportable segments as follows:

- » The 'Chilled water' segment constructs, owns, assembles, installs, operates and maintains cooling and conditioning systems. In addition, the segment distributes and sells chilled water for use in district cooling technologies.
- » The 'Pre-insulated pipe business' segment is involved in manufacture, assemble and selling activities relating to the expansion of the Group's chilled water business

(in AED'000)

Particulars	2024				2023			
	Chilled water	Pre-insulated pipe	Intersegment eliminations	Total	Chilled water	Pre-insulated pipe	Intersegment eliminations	Total
Revenues								
External revenue*	3,239,722	20,767	-	3,260,489	3,017,829	17,374	-	3,035,203
Inter-segment revenue	-	28,496	(28,496)	-	-	37,864	(37,864)	-
Interest earned on financial asset	59,151	-	-	59,151	38,711	-	-	38,711
Total revenues	3,298,873	49,263	(28,496)	3,319,640	3,056,540	55,238	(37,864)	3,073,914
Cost of sales	(1,900,515)	(33,536)	16,554	(1,917,497)	(1,725,862)	(36,449)	21,433	(1,740,878)
Gross profit	1,398,358	15,727	(11,942)	1,402,143	1,330,678	18,789	(16,431)	1,333,036
General and administrative expenses	(229,303)	(5,816)	-	(235,119)	(211,927)	(8,358)	-	(220,285)
Reversal of expected credit losses	17,020	462	-	17,482	-	-	-	-
Other income	6,823	1,115	-	7,938	5,872	1,248	-	7,120
Operating profit	1,192,898	11,488	(11,942)	1,192,444	1,124,623	11,679	(16,431)	1,119,871
Finance income	52,600	1,427	-	54,027	42,120	1,473	-	43,593
Finance costs	(248,139)	-	-	(248,139)	(220,833)	-	-	(220,833)
Profit before tax	997,359	12,915	(11,942)	998,332	945,910	13,152	(16,431)	942,631
Income taxes	(90,003)	(94)	-	(90,097)	17,454	-	-	17,454
Net profit for the year	907,356	12,821	(11,942)	908,235	963,364	13,152	(16,431)	960,085

Inter-segment transactions are eliminated on consolidation.

* External revenue include connection charges related to the connection of individual customer units and is recognised over the provision period of district cooling services

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Segment results include an amount of depreciation and amortisation allocated to the operating segments as follows:

(in AED'000)

Particulars	2024			2023		
	Chilled water	Pre-insulated pipe	Total	Chilled water	Pre-insulated pipe	Total
Depreciation of property, plant & equipment (Note 5)	342,007	325	342,332	330,399	2,485	332,884
Depreciation of right-of-use asset (Note 6)	4,592	-	4,592	3,158	-	3,158
Amortisation of intangible asset (Note 7)	12,157	-	12,157	12,157	-	12,157
Total depreciation and amortisation	358,756	325	359,081	345,714	2,485	348,199

segment transactions are eliminated on consolidation.

(in AED'000)

Particulars	2024			2023		
	Chilled water	Pre-insulated pipe	Total	Chilled water	Pre-insulated pipe	Total
Segment assets	11,095,769	86,970	11,182,739	9,626,555	101,304	9,727,859
Investment in joint venture	307	-	307	307	-	307
Total assets	11,096,076	86,970	11,183,046	9,626,862	101,304	9,728,166
Total liabilities	7,795,192	14,519	7,809,711	6,403,832	13,333	6,417,165

The table below illustrates the capital expenditures added during the year:

(in AED'000)

Particulars	2024			2023		
	Chilled water	Pre-insulated pipe	Total	Chilled water	Pre-insulated pipe	Total
Property, Plant & Equipment	435,979	20	435,999	275,613	12	275,625

Geographic information

The following table presents certain non-current assets and revenue information relating to the Group based on geographical location of e operating units:

(in AED'000)

Particulars	Revenue		Non-current assets	
	2024	2023	2024	2023
United Arab Emirates	3,258,913	3,026,127	8,823,595	8,761,136
Kuwait	1,576	9,076	-	-
	3,260,489	3,035,203	8,823,595	8,761,136

25. Cost of sales

(in AED'000)

Particulars	2024	2023
Utilities cost	1,452,212	1,285,778
Depreciation on property, plant and equipment (Note 5)	333,610	324,474
Staff costs (Note 27)	43,179	39,175
Materials (Note 10)	13,695	11,662
Amortisation of intangible assets (Note 7)	12,157	12,157
Depreciation on right-of-use assets (Note 6)	1,174	154
Impairment charge on property, plant and equipment	919	-
Others *	60,551	67,478
	1,917,497	1,740,878

*Others include expenses related to repairs and maintenance, spares, consumables, insurance, freight and transportation.

26. General and administrative expensess

(in AED'000)

Particulars	2024	2023
Staff costs (Note 27)	168,958	164,454
Depreciation on property, plant and equipment (Note 5)	8,722	8,410
Directors' remuneration (Note 12)	5,880	7,000
Advertising and marketing expenses	5,584	4,929
Communication expenses	5,382	5,350
Bank charges	4,821	5,931
Repairs & Maintenance	3,890	1,584
Software maintenance expenses	3,851	3,146
Depreciation on right-of-use assets (Note 6)	3,418	3,004
HSE equipment expenses	2,352	2,246
Business travel	2,328	1,895
Water & Electricity	2,240	1,868
Rent (Note 6)	504	593
Others	17,189	9,875
	235,119	220,285

27. Staff costs

(in AED'000)

Particulars	2024	2023
Salaries	135,645	127,172
Staff benefits	67,706	69,271
End of service benefits (Note 21)	8,786	7,186
	212,137	203,629
Staff costs have been charged to:		
Cost of sales (Note 25)	43,179	39,175
General and administrative expenses (Note 26)	168,958	164,454
	212,137	203,629

28. Income taxes

On 9 December 2022 UAE Federal Decree Law No. 47 of 2022 was published setting in place a general corporate income tax for the first time. The profit threshold of AED 375,000 at which the 9% tax will apply was set in place by Cabinet Decision No. 116 of 2022 which was published on 16 January 2023 and at this point the tax law was considered enacted and substantively enacted for accounting purposes. As a result of the enactment / substantial enactment of Corporate tax, management performed assessment of deferred tax during 2023, with the help of an external consultant, for application of IAS 12 taking into consideration the cabinet decisions with respect to adjustments for temporary and permanent differences.

The Group is subject to income tax on profits generated in the financial year commencing 1 January 2024, and current taxes are accounted. As of 31 December 2024, the Group has current tax liabilities of AED 88,953 thousand (2023: Nil) and deferred tax asset (net) of AED 16,228 thousand (31 December 2023: AED 17,454 thousand).

(a) Component of income tax

Income tax credit recorded in consolidated statement of profit or loss comprises of the following:

(in AED'000)

Particulars	2024	2023
Current tax	88,953	-
Deferred tax	1,144	(17,454)
Income tax	90,097	(17,454)

(b) Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate.

The income tax rate applicable to the Group's income is 9% (2023: Nil). A reconciliation between the expected and the actual tax charge is provided below:

(in AED'000)

Particulars	2024	2023
Profit before tax	998,332	-
Profit before tax at statutory rate of 9%	89,850	-
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Entities not part of tax group	7	-
Actuarial gain on Provision for employees' end of service benefits	308	-
Income exempt from taxation	(68)	-
Income tax expense	90,097	-

The effective tax rate for the year 2024 8.9% (2023: Nil).

(c) Deferred taxes analysed by type of temporary difference

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences was not material to the consolidated financial statement.

Further, AED 82 thousand of deferred tax relates to changes in fair value of financial assets at fair value through other comprehensive income which has been recognised in other comprehensive income in the consolidated statement of comprehensive income

29. Other income

(in AED'000)

Particulars	2024	2023
Government grant (Note 20)	2,780	2,780
Scrap sale	616	1,813
Rental income	470	1,290
Others	4,072	1,237
	7,938	7,120

30. Finance costs – net

(in AED'000)

Particulars	2024	2023
Interest income on short-term bank deposits	48,690	38,085
Interest income on financial assets at FVTOCI (Note 9)	3,305	3,947
Interest income on call account with banks	1,221	1,489
Interest income on financial assets at FVTPL	811	72
Total finance income	54,027	43,593
Interest expense on bank borrowings	(298,975)	(264,696)
Amortization of arrangement fees	(3,781)	(2,852)
Arrangement fees paid on refinance	(642)	-
Interest on lease liabilities	(230)	(104)
	(303,628)	(267,652)
Interest expenses capitalised	55,489	46,819
Total finance costs	(248,139)	(220,833)
Finance costs – net	(194,112)	(177,240)

Capitalised borrowing costs

The capitalisation rate used to determine the amount of borrowing costs is the weighted average interest rate applicable to the entity's general borrowings during the year of 5.993% (2023 – 5.882%).

31. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

(in AED'000)

Amortised cost	2024	2023
Cash and cash equivalents (Note 15)	1,936,627	538,780
Financial assets at amortised cost (Note 8)	1,324,787	1,343,891
Trade and other receivables, excluding prepayments and advance to contractors / suppliers (Note 11)	182,572	215,632
Due from related parties (Note 12)	18,076	8,821
Term deposits (Note 14)	30,264	27,500
Total	3,492,326	2,134,624

Fair value through other comprehensive income (FVTOCI)

(in AED'000)

	2024	2023
Financial assets at fair value through other comprehensive income (Note 9)	55,709	54,153

Financial assets at fair value through profit or loss (FVTPL)

(in AED'000)

	2024	2023
Investment in National Bonds (Note 13)	25,466	10,000

(in AED'000)

	2024	2023
Other financial liabilities at amortised cost		
Bank borrowings (Note 19)	5,498,415	4,492,438
Trade and other payables (excluding deferred revenues and including non-current retention payable) (Note 22)	1,173,732	1,079,507
Due to related parties (Note 12)	159,372	135,953
Lease liabilities (Note 6)	5,551	4,081
	6,837,070	5,711,979

The fair values of the Group's financial assets and liabilities are not materially different from their carrying values at the reporting date.

32 Acquisition

Acquisition of DXB COOLCO FZCO

On 18 May 2023, the Group entered into a sale and purchase agreement with Dubai Aviation City Corporation ('DACC') to acquire 85% share capital of DXB Cool for a consideration of AED 892,500 thousand.

DXB Cool is a company incorporated in Dubai Airport Freezone Authority, and has a concession agreement with Dubai Aviation City Corporation (DACC) which granted it the sole and exclusive rights to operate, maintain and perform the district cooling services within the Dubai International Airport for a term of 35 years from the commencement date (5 July 2023).

The transaction with DACC is accounted under IFRIC 12 'Service Concession Arrangements' and DXB Cool holds a financial asset/receivable from DACC amounting to AED 1,050,000 thousand. In the Group's consolidated financial statements, a financial asset of AED 1,050,000 thousand has been recorded, along with a non-controlling interest of AED 157,500 thousand, representing DACC's 15% shareholding.

The financial asset will be recovered over the 35 year-period concession agreement.

Further, the financial asset is initially recognised at fair value and subsequently measured at amortised cost. The fair value of the financial asset is the transaction price which is mutually agreed between the market participants through a competitive bidding process.

Details of the purchase consideration, the net assets acquired at date of acquisition are as follows:

(in AED'000)

Particulars	2023
Consideration paid	892,500
Net assets acquired which represents financial asset at amortised cost (Note 8)	1,050,000
Non-controlling interests	157,500
Gain on acquisition	-

Non-controlling interests

Set out below is summarised financial information for DXB Cool.

(in AED'000)

Summarised statement of financial position	2024	2023
Current assets	207,473	76,593
Current liabilities	49,355	10,653
Current net assets	158,118	65,940
Non-current assets	1,013,256	1,028,898
Net assets	1,171,374	1,094,838
Accumulated NCI	175,745	164,264

(in AED'000)

Summarised statement of comprehensive income	2024	2023
Total comprehensive income	76,540	45,090
Profit allocated to NCI	11,481	6,764

(in AED'000)

Summarised cash flows	2024	2023
Cash flows from operating activities	113,662	57,661
Cash flows from investing activities	2,490	(547)
Net increase in cash and cash equivalents	116,152	57,114

33 Guarantees

As at 31 December 2024, the Group had outstanding bank guarantees and letters of credits amounting to AED Nil (2023: AED 3,842 thousand), which were issued by the Group's bankers in the normal course of business.

34 Commitments

Capital commitments

As at 31 December 2024, the Group had project commitments of AED 726,784 thousand

(2023: AED 687,341 thousand) for projects-in-progress. These commitments represent the value of contracts issued as at 31 December 2024 and as at 31 December 2023, net of invoices recorded and accruals made as at that date.

35 Earnings per share

(in AED'000)

Particulars	2024	2023
Profit attributable to the ordinary equity holders of the Company	896,754	952,927
Weighted average number of ordinary shares used as a denominator in calculating basic earnings per share	10,000,000	10,000,000
Basic and diluted earnings per share	0.090	0.095

36 Non-cash transactions

(in AED'000)

Particulars	2024	2023
Additions of right-of-use-assets (Note 6)	4,036	4,284

37 Investment properties

(in AED'000)

Particulars	2024	2023
At 1 January	85,645	72,859
Transfers from property, plant and equipment (Note 5)	32,370	-
Additions during the year	-	12,786
At 31 December	118,015	85,645

The Group started construction of its head quarter project in 2021. The project consists of two towers (residential tower and office tower) with common area and retail outlets. The Group intends to occupy office tower for its own use and is classified as property, plant and equipment (Note 5) which is expected to be completed by second quarter of 2025. The residential tower is complete and the management intends to lease.

During the year ended 31 December 2024, management revisited its plan of occupation of office tower and concluded to lease three floors for commercial use. As a result, the carrying amount of these floors and related areas were transferred to investment properties from property, plant and equipment (Note 5).

The investment property includes Land amounting to AED 2,536 thousand (2023: AED 2,536 thousand).

The investment property is carried at cost and its fair value approximates to AED 180,050 thousand. It is valued by qualified independent property valuation firms based on income method and the significant input is rent per square feet.

The fair value stated is determined using valuation methods with parameters not based exclusively on observable market data (level 3). Rental income recognised during the year was nil in the consolidated statement of profit or loss (2023: nil).

38 Fair value measurement

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: inputs that are quoted market price (unadjusted) in an active market for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted market prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised.

Particulars	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2024				
Financial assets at fair value through other comprehensive income (Note 9)	55,709	-	-	55,709
Financial assets at fair value through profit or loss (Note 13)	-	25,466	-	25,466
	55,709	25,466	-	81,175
31 December 2023				
Financial assets at fair value through other comprehensive income (Note 9)	54,153	-	-	54,153
Financial assets at fair value through profit or loss (Note 13)	-	10,000	-	10,000
	54,153	10,000	-	64,153

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments; and
- for other financial instruments - discounted cash flow analysis. All of the resulting fair value estimates are included in level 2

39 Dividends

(in AED'000)

Particulars	2024	2023
Final dividend for the year ended 31 December 2023 AED 0.0425 per share (2023: Final dividend for the year ended 31 December 2022, AED 0.0425 per share)	425,000	425,000
Interim dividend for the year ended 31 December 2024 AED 0.0425 per share (2023: AED 0.0425 per share)	425,000	425,000
Total dividends	850,000	850,000

During the year 2024, a final dividend of AED 425,000 thousand (AED 0.0425 per share) in respect of the year ended 31 December 2023 was declared and approved in the Annual General Assembly Meeting held on 27 March 2024 which was paid on 23 April 2024 (2023: Final dividend of AED 425,000 thousand (AED 0.0425 per share)). Further an interim dividend of AED 425,000 thousand (AED 0.0425 per share) in respect of the six-month period ended 30 June 2024 was declared and approved on 23 September 2024 by the Board of Directors of the Group and subsequently paid on 18 October 2024 (2023: Interim dividend of AED 425,000 thousand (AED 0.0425 per share)).

SECTION

07

INDEX

● Our GRI content index

Global Standards, Local Impact

At EMPOWER, transparency and accountability are central to our commitment to sustainability. Our GRI Content Index aligns our performance with globally recognised reporting standards, demonstrating how we address key environmental, social, and governance (ESG) topics. This index highlights our contributions to sustainable development and provides stakeholders with a clear, comparable, and comprehensive view of our impacts. By adhering to GRI principles, we ensure that our disclosures are meaningful, consistent, and relevant—reflecting our dedication to responsible business practices and continuous improvement.



GRI Index

GRI Standard	Disclosure Description	UNSDG Alignment	Strategic Pillar	Business Model Elements	Material Issues Surveyed	Chapter Name & Page
GRI 2-1: Organisational Details	Provides an overview of EMPOWER's legal identity, ownership structure, operational scope, and key locations.	-			Business Ethics & Transparency	About This Report (Pg. 4)
GRI 2-3: Reporting Period, Frequency, and Contact Point	Outlines the reporting period, frequency, scope, and mechanisms for stakeholder inquiries regarding sustainability reporting.	-		-	Transparency & Accountability	About This Report (Pg. 4)
GRI 2-6: Activities, Value Chain, and Markets Served	Highlights EMPOWER's primary business activities, products, brands, and market presence across key locations.				Business Model Resilience	Our Business Model (Pg. 38)
GRI 2-7: Employees and Workforce Composition	Presents workforce composition, employment types, diversity statistics, and regional distribution of employees.				Diversity & Inclusion	Human Capital (Pg. 76)
GRI 2-9: Governance Structure and Leadership	Describes the governance framework, including board structure, leadership roles, and responsibilities.			-	Corporate Governance	Corporate Governance (Pg. 124)
GRI 3-1: Process for Determining Material Topics	Details the methodology for identifying material topics and engaging with stakeholders to determine key priorities.	-		-	Materiality	Stakeholder Engagement (Pg. 44)
GRI 201-1: Direct Economic Value Generated and Distributed	Discusses EMPOWER's direct economic contributions, including revenue generation, community investments, and value distribution.				Economic Contributions	Financial Performance (Pg. 50)
GRI 203-1: Infrastructure Investments and Services Supported	Explains the impact of EMPOWER's infrastructure investments on sustainable urban development and long-term growth.				Sustainable Urban Development	Social & Relationship Capital (Pg. 88)
GRI 205-3: Confirmed Incidents of Corruption and Actions Taken	Reports on incidents of corruption, anti-bribery measures, and actions taken to uphold ethical business practices.			-	Anti-Bribery & Corruption	Corporate Governance (Pg. 124)

GRI Standard	Description	UNSDG # Icons	Strategic Pillar	Business Model Elements	Material Issues Surveyed	Chapter Name & Page
GRI 302-1: Energy Consumption Within the Organisation	Summarises the organisation's energy consumption, including renewable and non-renewable sources, and efficiency measures.				Energy Efficiency	Natural Capital (Pg. 96)
GRI 303-3: Water Withdrawal by Source	Provides an assessment of water consumption, withdrawal sources, and strategies for water conservation.				Water Management	Natural Capital (Pg. 96)
GRI 305-5: Reduction of Greenhouse Gas Emissions	Describes initiatives undertaken to reduce GHG emissions and mitigate the company's carbon footprint.				Carbon Reduction	Natural Capital (Pg. 96)
GRI 306-2: Waste by Type and Disposal Method	Details the volume and disposal methods of waste, including recycling rates and landfill diversion efforts.				Waste Management	Natural Capital (Pg. 96)
GRI 403-1: Occupational Health and Safety Management System	Describes EMPOWER's occupational health and safety management systems, risk identification, and preventive measures.				Employee Well-being	Human Capital (Pg. 76)
GRI 403-5: Worker Training on Occupational Health and Safety	Outlines employee training initiatives on occupational health, safety protocols, and workplace hazard management.				Employee Well-being	Human Capital (Pg. 76)
GRI 404-1: Average Hours of Training per Year per Employee	Provides insights into training hours per employee, disaggregated by gender, employment level, and professional category.				Skill Development	Human Capital (Pg. 76)
GRI 405-1: Diversity of Governance Bodies and Employees	Highlights EMPOWER's diversity across governance structures, workforce composition, and inclusion policies.				Diversity & Inclusion	Human Capital (Pg. 76)
GRI 414-1: Supplier Social Assessment	Assesses the percentage of suppliers evaluated based on environmental and social responsibility criteria.				Supply Chain Management	Business Model & Innovation (Pg. 38)
GRI 416-1: Assessment of the Health and Safety Impacts of Products and Services	Evaluates the health and safety implications of EMPOWER's cooling services and customer support systems.				Customer Well-being	Social & Relationship Capital (Pg. 88)

