XNRGY Secures Investment from BlackRock- and Temasek-Backed Decarbonization Partners, Climate Investment and Activate Capital to Accelerate Expansion of Sustainable Cooling Technologies

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Mesa, AZ and Montreal, QC – **XNRGY Climate Systems**, a leading North American manufacturer of sustainable liquid and air-cooling technologies as well as control systems, today announced growth equity financing from **Decarbonization Partners** (a joint venture between BlackRock and Temasek), **Climate Investment (CI)** and **Activate Capital**. These investments will fuel XNRGY's rapid growth, expand its U.S. manufacturing footprint, and accelerate the deployment of next-generation cooling solutions to meet the demand for data centres and other mission-critical infrastructure.

This growth equity financing provides added resources for the 2023 investments from Idealist Capital and MKB, who remain supportive shareholders of XNRGY. Additionally, this transaction marks a second significant investment by Activate Capital in XNRGY, following a previous investment in the firm earlier this year.

XNRGY is a leading North American manufacturer of high-efficiency liquid and air-cooling systems with integrated controls and AI capabilities. Its technologies are designed to meet the evolving demands of hyperscale data infrastructure, offering modular scalability, reliability, and energy efficiency in high-ambient-temperature environments.

"We are delighted to partner with Decarbonization Partners, Climate Investment and Activate Capital as we enter this next phase of rapid expansion," said Wais Jalali, Founder, Chairman and CEO of XNRGY. "Their experience, industry relationships and company vision align perfectly with our mission to lead through cutting edge innovation and our dedication to scaling and delivering efficient and reliable data center cooling solutions."

"We're excited to support XNRGY's growth as they scale up manufacturing to meet customer demand for energy-efficient cooling solutions, which are critical to the data centre infrastructure buildout," said Dr Meghan Sharp, Global Head and Chief Investment Officer of Decarbonization Partners. "XNRGY's unique solution directly aligns with Decarbonization Partners' focus on next generation energy investments that accelerate the digital transformation."

"XNRGY is building a key thermal backbone of the AI era," said Patrick Yip, MD, Head of Growth Equity at Climate Investment. "As data infrastructure scales exponentially, the need for energy-efficient, high-performance cooling becomes mission-critical. Our investment reflects CI's strategy to back companies that we believe are not only commercially scalable but also climate-aligned. XNRGY's innovation in liquid and air-cooling systems has the potential to significantly reduce emissions across digital infrastructure, supporting our goal of accelerating decarbonization at scale and delivering measurable climate impact."

"Data centres are among the most energy-intensive assets in the digital economy, and chillers are the central, long-lead infrastructure component that defines their thermal performance," said Anup Jacob, Managing Partner at Activate Capital. "XNRGY's technical depth and domestic manufacturing capabilities position it to deliver the efficiency breakthroughs needed to support the AI-driven transformation of global infrastructure."

This announcement builds on recent XNRGY expansion milestones. **On September 17, 2025, XNRGY announced the construction of Mesa 2**, a brand-new, 330,000 sq ft facility dedicated to producing its next-generation air-cooled chiller. This cutting-edge chiller will integrate XNRGY's proprietary controls and AI with industry-leading Copeland technology for unparalleled efficiency and performance. The Mesa 2 expansion marks XNRGY's fourth significant growth initiative in just three years, bringing its total combined current operational footprint in Mesa, Arizona and Montreal, Quebec to nearly 1,000,000 sq ft.

XNRGY continues to implement state-of-the-art production systems inspired by the automotive standards, integrating digital tracking and rigorous quality control throughout its manufacturing process. Its comprehensive thermal management solutions, spanning Liquid Side, Air Side, and full thermal management solutions with proprietary controls integration are engineered by a team of seasoned experts to meet the increasing demands of modern data infrastructure.

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About XNRGY Climate Systems

XNRGY Climate Systems is a prominent North American provider specializing in the sustainable design and advanced manufacturing of Thermal Management and Liquid Cooling systems. Leveraging decades of experience in thermal management engineering and manufacturing, XNRGY delivers innovative, energy-efficient solutions tailored to meet the critical requirements of diverse industries. These include hyperscale and modular data centers, healthcare facilities, pharmaceutical labs, semiconductor clean rooms, electric vehicle battery manufacturing, and life sciences facilities. Operating with divisions in Montreal, Canada, and Mesa, Arizona, XNRGY is strategically positioned to serve its clientele across North America. For additional information, please visit www.xnrgy.com.

About Decarbonization Partners

Decarbonization Partners is a joint venture between Temasek and BlackRock focused on late-stage venture capital and early growth private equity investing in next-generation companies that provide solutions and technologies to help accelerate global efforts to achieve a net-zero global economy by 2050. Decarbonization Partners combines Temasek and BlackRock's complementary platforms and expertise in sourcing and underwriting private investments, portfolio and risk management, and sustainable technology and analytics. Decarbonization

Partners invests in a wide range of companies that have proven technology and need capital to scale. The partnership attracted $1.40 billion in capital from a diverse set of over 30 institutional investors across North America, Europe and Asia Pacific. To learn more, visit www.decarbpartners.com.

About Activate Capital

Activate Capital is a growth-stage venture capital firm investing in the sustainable, resilient transformation of the global economy. Our portfolio companies address climate and important 21st-century challenges by accelerating decarbonization and strengthening our shared systems and infrastructure. Activate invests in technology companies at their inflection point, led by exceptional entrepreneurs with ambitions to build category-defining platforms of the future. To learn more, please visit activatecap.com.

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