

FINANCIAL REPORT

ALL OUR ENERGY

TO MAKE MOROCCO SHINE

20
20



TAQA

M O R O C C O



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FINANCIAL REPORT 2020

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CHAIRMAN'S FOREWORD

It has been an
exceptional year for
TAQA Morocco in
many respects

Dear Shareholders,

It has been an exceptional year for TAQA Morocco in many respects, with two decisive milestones shaping the future of the company. First, the alignment of the 2044 Power Purchase Agreements (PPA) for Units 1 to 4 and 5&6 with extension of the PPA of Units 1 to 4. This move was fundamental for the development of TAQA Morocco and provides long-term visibility of the company's business plan with predictable and secure cash flows.

In the wake of this transaction, TAQA Morocco completed a private placement bond issue of MAD 2.7 billion from qualified investors, one of the largest in Morocco in 2020. The bond issuance is intended to reprofile the debt to support investments linked to the extension of the PPA of Units 1 to 4 and to support the development of the company.

These two major initiatives will help strengthen the sustainability of the business, as well as contributing to Morocco's energy transition.

Secondly, 2020 also saw the creation of a new entity with TAQA Group's integration with Abu Dhabi Power, propelling the company to become a top-10 integrated utility in the Europe, Middle East and Africa (EMEA) region by regulated assets. The new Group, spanning across the entire value chain, aims to support the energy transition of the United Arab Emirates (UAE) and beyond by strengthening the share of renewable energy in its portfolio of activities. Thus, the awarding of the PPA and subsequent financial closing for the 2 GW Al Dhafra solar complex, the world's largest single site solar power plant, continues the journey for other investments for the Group to reach its target to increase the share of renewables in its portfolio to 30% by 2030.

This year was also unique due to the impact of the COVID-19 pandemic, which required the capacity for rapid adjustments to effectively adapt to new restrictions and guidelines.

The crisis confirmed TAQA Morocco's robust operational model, deploying a plan that allowed for operational continuity while keeping the health and safety of its employees and contractors at the forefront. The teams have shown the flexibility and rigor necessary to adapt to the organizational constraints induced by the health system. This efficiency and expertise was reflected in the operational performance for 2020, which recorded a record availability for the second consecutive year of 95.2%, up 2.3% compared to 2019.

These achievements stem from the know-how and agility that we will continue to deploy by accelerating our digitalization program in 2021, increasing the reliability of our industrial tools to further develop TAQA Morocco into a center of operational excellence and energy maintenance in Morocco.

Abdelmajid IRAQUI HOUSSAINI
Chairman of the Management Board



1 ABOUT TAQA MOROCCO

TAQA Morocco operates the largest independent coal thermal power plant in the Middle East and Africa region. The industrial infrastructure consists of six units totalling 2,056 MW and ranked in the top quartile of the best electricity power plants in the world (following a global benchmark of thermal power plants of equivalent size).

Listed on the Casablanca Stock Exchange since December 2013, TAQA Morocco is part of TAQA Group, a top-ten integrated utilities company in EMEA by regulated assets. TAQA Morocco contributes more than 38% of Morocco's national electricity demand, production equivalent to the electricity consumption of 15 million people. It is positioned as a benchmark energy operator in Morocco in terms of skill and expertise in the field.

Corporate Social Responsibility (CSR) is an integral part of TAQA Morocco's strategy. The company pursues an active policy of social engagement and sustainable development, in terms of responsible management of the production units and environmental standards and social actions.

The Jorf Lasfar thermal complex anticipated the technological choices of its equipment and implemented a global environmental management program, integrating the entire value chain from the quality of its raw fuel material to the management of its by-products. This operating and industrial ecology model has been certified according to the ISO 14001 standard since 2004 and labelled as CSR by the CGEM.

TAQA Morocco has invested heavily in Morocco since it started in 1997 and plays an important economic role which is measured by job creation, its significant tax contribution and its model of inclusive growth with the development of a local and national ecosystem centered around its activity.



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TAQA MOROCCO IN FIGURES

A BENCHMARK ENERGY COMPANY

3 Billion dollars
consolidated investment
since 1997

30 Million dollars
invested annually in
environmental management

38% of Morocco's electricity
demand supplied

1,888 Billion dirhams
in 2020

267 Million
MW produced
since 1997

Production equivalent
to the consumption of **15** Million
people

477 direct jobs
and 2,000 indirect jobs

OPERATIONAL PERFORMANCE IN CONTINUOUS PROGRESS

■ Global availability rate Units 1 to 6

2019: 92.9%

2020: 95.2%

■ Consolidated turnover

2019: MAD 9,118m

2020: MAD 7,789m

■ Consolidated EBITDA

2019: MAD 3,503m

2020: MAD 3,154m

■ Consolidated Net Income

2019: MAD 1,372m

2020: MAD 1,144m

■ Net Corporate Income

2019: MAD 741m

2020: MAD 816m

■ Dividend distribution proposal

2019: MAD 36

2020: MAD 35

3 INTRODUCING TAQA



Creation of
a low carbon
power & water
champion of
Abu Dhabi

On July 1, 2020, TAQA Group and Abu Dhabi Power merged to create a fully integrated utility spanning across the entire value chain from production to transmission and distribution of power and water and through upstream and midstream oil and gas.

Propelled to a top 10 integrated utility by regulated assets for the EMEA region, TAQA Group is a multinational company listed on the Abu Dhabi, Securities Exchange (ADX). The company has an electricity production capacity of 23 GW (of which 1.4 GW comes from renewable sources), and water desalination capacity of 913 MIGD.

TAQA Group is also developing 4.4 GW of power capacity, including 2 GW from renewable sources and 200 MIGD for additional water desalination using highly efficient reverse osmosis technology. The 2 GW Al Dhafra Solar Project will be the largest single-site solar power plant in the world, equipped with nearly 4 million solar panels to produce when commissioned in 2022, the equivalent of the electricity consumption of 160,000 homes across the UAE.

TAQA has invested in major industrial assets around the world, located in the Canada, Ghana, India, Iraq, Morocco, the Netherlands, Oman, Saudi Arabia, the United Arab Emirates, the United Kingdom and the United States.

TAQA is committed to supporting the energy transition of the UAE in line with the UAE Energy Strategy 2050, which aims to have 50% of its energy mix derive from clean energy sources by 2050. TAQA Group will contribute to this goal by increasing its share of renewable energy in its portfolio to 30% by 2030, up from 5% currently. In addition, highly efficient reverse osmosis technologies will make up two-thirds of its desalination.

TAQA has exclusive participation rights of at least 40% on all tenders launched in Abu Dhabi for energy production and desalination projects



4 HIGHLIGHTS OF 2020

4.1 Economic conditions:

a) Changes in USD/MAD parity

The average USD/MAD parity fell slightly by 1.8%, from 9.63 in 2019 to 9.46 in 2020.

b) Changes in coal prices

The average purchase price of coal has fallen significantly from US\$81/metric ton in 2019 to \$64/metric ton in 2020. In addition, the API2 benchmark coal purchase price index experienced an average decline on the international market of 18% from \$61/ton to \$50/ton.

4.2 Company activity

The power plant's activity was affected by the following events:

- The overall annual availability level of Units 1 to 6 reached 95.2% in 2020 compared to 92.9% in 2019
- Carrying out the planned minor overhaul of Unit 1 during the fourth quarter of 2020
- The completion of the planned major overhaul of Unit 5 lasting 68 days during the fourth quarter of 2019.

4.3 Major achievements for the development of TAQA Morocco

- **January 24, 2020:** Units 1 to 4 PPA extension to 2044 to align with Units 5 and 6. This extension allows for operational synergies between the six units, consolidating the long-term visibility of TAQA Morocco's business plan to develop its portfolio of activities and support the country's energy transition.
- **September 7, 2020:** Completion of a private placement bond loan of MAD 2.7 billion from qualified investors. This marked one of the largest private placement transactions in Morocco for the year, and significantly optimizes the company's financial resources at competitive rates to support the extension to 2044 of the PPA of Units 1 to 4 as well as projects of development in the energy mix.
- **September 22, 2020:** Early repayment of the bank loan issued by a consortium of Moroccan banks on January 16, 2009 for the outstanding capital of approximately MAD 2.7 billion.



DANGER
PIECES
DANGEROUS
ATTENTION
ATTENTION

WARNING
WARNING

VOITH
TURBO
VOITH VOITH

WARNING
WARNING

Protected
patent

5

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AS OF DECEMBER 31, 2020

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FOR THE PAST FINANCIAL YEAR



TAQA

M O R O C C O

■ 5.1.1 Income and expense account

(MAD, millions)	Dec-2020	Dec-2019	Variation	Variation %
Capacity revenue	1,732	1,843	(111)	(6.0)
Energy payments	2,313	3,066	(753)	(24.6)
Other income	189	216	(27)	(12.7)
Sales turnover	4,233	5,124	(891)	(17.4)
Consumed purchases of materials and supplies	2,671	3,389	(719)	(21.2)
Other external charges	175	155	20	13.1
Value Added	1,388	1,581	(193)	(12.2)
Value Added Rate (VA/Turnover)	32.8%	30.8%		194 bps
Taxes and duties	23	24	0	(0.5)
Staffing expenses	246	212	34	16.3
Gross Operating Surplus	1,118	1,345	(227)	(16.9)
Gross operating margin (EBITDA/Turnover)	26.4%	26.2%		16 bps
Other operating revenues	1	3	(2)	(61.2)
Resumption of operations, transfer of expenses	66	14	51	355.5
Other operating expenses	4	0	4	100.0
Operating allocations	401	610	(208)	(34.2)
Operating earnings	780	752	28	3.7
Operating margin (Operating earnings / Turnover)	18.4%	14.7%		374 bps
Financial income	495	372	123	33.1
Income from equity securities	462	330	132	40.0
Foreign exchange gains	1	5	(4)	(76.5)
Interest and other financial income	32	36	(4)	(9.9)
Financial reversals, transfer of expenses	0	1	(1)	100.0
Financial expenses	215	159	56	35.3
Interest expense	196	153	44	28.5
Foreign exchange losses	18	6	12	207.6
Financial allocations	0	0	0	0.0
Financial earnings	281	213	67	31.5
Current income	1,061	966	95	9.8
Non-current revenue	24	23	1	2.8
Other non-current income	24	0	24	100.0
Non-current reversals, transfer of expenses	0	23	(23)	(100.0)
Non-current expenses	84	44	40	92.0
Other non-current expenses	58	17	41	235.6
Non-current allocations	26	26	(1)	(2.0)
Non-current income	(60)	(20)	(39)	194.2
Earnings before tax	1,001	946	55	5.9
Corporate tax	185	205	(20)	(9.5)
Net earnings	816	741	75	10.1
Net Margin (Net Income/Turnover)	19.3%	14.5%		481 bps

a) Analysis of operating income

As of December 31, 2020, turnover amounted to MAD 4,233 million compared to MAD 5,124 million in 2019. This development can be analysed as follows:

- 6% decrease in capacity revenue compared to 2019 mainly explained by:

- the completion of the planned minor overhaul of Unit 1,
- the contractual reduction in prices,
- changes in the USD/MAD exchange rate,

- 24.6% reduction in energy payment mainly due to changes in the price of coal on the international market.

Operating income increased by 3.7% compared to 31 December 2019, which is mainly due to:

- The change in turnover compared to 2019,
- The decrease in amortisation allowances of MMAD 208 following the signing of the PPA extension for Units 1-4.

b) Analysis of financial income

The following table details the structure as well as the change in financial income over the 2019-2020 period:

(MAD, millions)	2020	2019	Variation %
Financial income	495	372	33
Income from equity securities	462	330	40
Foreign exchange gains	1	5	(76)
Interest and other financial income	32	36	(10)
Financial reversals, transfer of expenses	0	1	(100)
Financial expenses	215	159	35
Interest expense	196	153	28
Foreign exchange losses	18	6	208
Financial allocations	0	0	0
Financial earnings	281	213	31

At the end of 2020, financial income amounted to MAD 281 million compared to MAD 213 million at the end of 2019. This increase of MAD 67 million is mainly by:

- Dividends to be distributed by the subsidiary JLEC 5&6 increased by 40%, to MAD 462 million from MAD 330 million the previous year.
- Interest charges increased by MAD 44 million as a result of the debt drawdown relating to the additional right of use for an amount of MAD 1.5 billion
- The increase in net foreign exchange losses of MAD 17 million, following changes in the USD/MAD and EUR/MAD exchange rates;
- Lower interest on investments for MAD 4 million

c) Analysis of non-current income (MAD, millions)

The following table details the structure as well as the change in non-current income over the 2019-2020 period:

	2020	2019
Non-current revenue	24	23
Proceeds from disposal of fixed assets	0	0
Other non-current income	0	0
Non-current reversals, transfer of expenses	24	23
Non-current expenses	84	44
N.P.V. of divested assets	0	0
Grants awarded	0	0
Other non-current expenses	58	17
Non-current allocations	26	26
Non-current income	(60)	(20)

Other non-current expenses include the Social Solidarity Contribution (SSC), non-current expenses related to the COVID-19 health crisis as well as other non-current expenses relating to the audit of the Exchange Office to which the company was subject to in 2017.

■ 5.1.2 Balance sheet

(MAD, millions)	Dec-2020	Dec-2019	Variation	Variation %
ASSETS				
Fixed assets	6,326	5,027	1,299	25.8
Non-value fixed assets	241	228	13	5.6
Intangible fixed assets	4,608	3,297	1,311	39.7
Tangible fixed assets	276	300	(23)	(7.8)
Financial fixed assets	1,201	1,201	0	0.0
Current assets	2,498	2,891	(393)	(13.6)
Stocks	885	1,011	(126)	(12.4)
Current receivables	1,609	1,877	(268)	(14.3)
Conversion spreads – Asset	3	2	1	33.9
Cash assets	1,011	953	58	6.1
Banks, TG and CP	28	10	17	171.8
Investment securities	983	942	41	4.3
Total ASSETS	9835	8870	965	10.9
LIABILITIES				
Permanent funding	8,681	7,545	1,136	15.1
Equity	4,596	4,630	(34)	(0.7)
Financial debts	4,058	2,891	1,168	40.4
Sustainable provisions for risks and charges	26	24	2	8.0
Current liabilities	1,116	1,320	(204)	(15.5)
Other provisions for risks and charges	32	3	30	1125.0
Conversion spreads – Liability (current items)	6	3	3	130.2
Cash liabilities	0	0	0	(100.0)
Total LIABILITIES	9,835	8,870	965	10.9

- The total balance sheet shows an increase of 11% which can be analyzed as follows:
 - Increase in fixed assets of MAD 1,299 million which is mainly explained by MAD 1,681 million in investments for 2020 (mainly the additional right of use relating to the extension of the Power Purchase Agreement for Units 1 to 4 from TAQA Morocco for an amount of MAD 1,500 million and the capitalized cost of the minor overhaul of Unit 1) as well as the depreciation allowances for MAD 381 million.
 - Decrease in current assets of MAD 393 million, mainly explained by:
 - The decrease in trade receivables of an amount of MAD 362 million following the decrease in capacity revenue for November and December 2020 attributed to the minor overhaul of Unit 1 planned during the fourth quarter, as well as the change in energy costs following the fall in the price of coal on the international market.
 - The decrease in stock accounts of MAD 126 million (mainly the stock of coal following a quantity effect and a price effect).
 - The decrease in government claims of MAD 39 million (mainly VAT credit accounts of MAD 57 million).
 - The increase in dividends to be received from the subsidiary JLEC 5&6 of MAD 132 million.
 - Increase in net cash of MAD 60 million due to the decrease in working capital of MAD 163 million and the decrease in working capital requirement of MAD 223 million.

The main variations recorded in the liability side of the balance sheet are analyzed below:

- Decrease in equity capital of MAD 33 million resulting from the recognition of the net income of MAD 816 million and dividends distributed amounting to MAD 849 million.
- Increase in financing debts of MAD 1,167 million, mainly explained by the drawdown of the debt relating to the additional right of use of MAD 1.5 billion as well as by repayments for the year.
- Decrease in the debts of the current liabilities of MAD 204 million, analyzed as follows:
 - The decline in supplier debts of MAD 140 million
 - The decline in accounts receivable of MAD 26 million
 - The decrease in government debts of MAD 41 million (mainly invoiced VAT accounts).

5.2 CONSOLIDATED ACCOUNTS

5.2.1 Consolidated income and expense account

(MAD, millions)	Dec-2020	Dec-2019	Variation	Variation %
Capacity revenues	3,949	4,246	(297)	
Energy payments	3,577	4,716	(1,139)	
Other revenues	262	156	106	
Net turnover	7,789	9,118	(1,329)	(14.6)
Other operating revenues	1	3	(2)	
Resumption of operations and transfer of expenses	9	14	(6)	
Total operating revenues	7,799	9,135	(1,336)	(14.6)
Purchases and other external expenses	4,294	5,318	(1,025)	
Taxes and duties	24	24	0	
Staffing expenses	317	274	43	
Other operating expenses	4	0	4	
Depreciation and provisions	802	969	(167)	
Total operating expenses	5,440	6,585	(1,145)	(17.4)
Operating earnings	2,359	2,550	(191)	(7.5)
Operating margin (Operating Earnings/Turnover)	30.3%	28.0%		2.3%
Financial earnings	(564)	(521)	(44)	8.4
Current income	1,795	2,030	(235)	(11.6)
Non-current income	(94)	(21)	(73)	338.0
Earnings before taxes	1,700	2,008	(308)	(15.3)
Income taxes	557	636	(80)	(12.5)
Consolidated net income	1,144	1,372	(228)	(16.6)
Net Margin (Net Income/Turnover)	14.7%	15.0%		(0.4)
including Net income - Group share	880	1,054	(174)	(16.5)
including Minority Interests	264	318	(54)	(17.0)

In 2020, the consolidated turnover amounted to MAD 7,789 million compared to MAD 9,118 million in 2019. This variation was mainly due to:

- Stable operational performance of Units 1 to 6, taking into account the maintenance plan
- Reduction in energy payments following changes in the global market prices of coal
- Completion of the planned 68-day major overhaul of Unit 5 during the fourth quarter of 2019 as well as the planned minor overhaul of Unit 1 during the fourth quarter of 2020

Consolidated operating income amounted to MAD 2,359 million compared to MAD 2,550 million in 2019. This change mainly results from the impact of the major 68-day overhaul of Unit 5 carried out during the fourth quarter of 2019, mitigated by the decrease in depreciation and amortization following the signing of the extension of the PPA for Units 1 to 4.

The operating margin rate is increasing and stood at **30.3%** in 2020 compared to **28%** in 2019.

Financial income decreased by MAD 44 million, going from MAD -521 million in 2019 to MAD -564 million in 2020, explained mainly by the increase in interest charges following the drawdown of the debt relating to the additional right of use as well as the decrease in the foreign exchange rates in the USD/MAD and EUR/MAD.

The consolidated net margin stood at **14.7%** in 2020 compared to **15%** in 2019.

Group Net income share amounted to MAD 880 million in 2020 compared to MAD 1,054 million in 2019.

■ 5.2.2 Consolidated Balance Sheet

(MAD, million)	Dec-2020	Dec-2019	Variation	Variation %
ACTIF				
Fixed assets	14,381	13,436	945	7.0
Intangible fixed assets	5,130	3,680	1,450	
Tangible fixed assets	9,023	9,374	(351)	
Financial fixed assets	1	1	0	
Conversion spreads - Asset	228	381	(153)	
Current assets	3,401	4,102	(702)	(17.1)
Stocks and work in progress	1,469	1,526	(57)	
Operating receivables	1,339	1,917	(578)	
Miscellaneous receivables	593	660	(67)	
Cash assets	1,853	2,091	(238)	(11.4)
including investment securities	1,571	1,659	(88)	
Total ASSETS	19,635	19,630	5	0.0
LIABILITIES				
Permanent funding	17,533	17,130	403	2.4
Consolidated equity	6,637	6,580	56	0.9
Capital	2,359	2,359	0	
Consolidated reserves	2,331	2,126	205	
Net income (Group share)	880	1,054	(174)	
Equity Group share	5,570	5,539	31	0.6
Minority interests	1,067	1,041	26	2.5
Provisions for risks and charges	26	24	2	8.0
Financial debts	10,781	10,374	407	3.9
Conversion spreads - Liability	89	151	(62)	100.0
Current liabilities	2,103	2,500	(397)	(15.9)
Operating debt	758	1,183	(425)	
Other debts	1,345	1,317	28	
Cash liabilities	0	0	0	0.0
Total LIABILITIES	19,635	19,630	5	0.0

The main changes in consolidated aggregates are presented below:

- Increase in the consolidated fixed assets of MAD 945 million, which is mainly explained by the investments of the year of MAD 1,888 million as well as the depreciation charges of MAD 782 million on December 31, 2020.
- Decrease in the receivables of the current assets of MAD 702 million, mainly due to the decrease recorded in the level of operating receivables of MAD 578 million and stocks of MAD 57 million.
- Decrease in net cash of MAD 238 million which is explained by the decline of MAD 543 million in consolidated working capital combined with the drop in the consolidated working capital requirement of MAD 305 million.
- Increase in consolidated group share equity of MAD 31 million, mainly explained by the recognition of Group share net income on December 31, 2020 of MAD 880 million as well as by the distribution of dividends of MAD 849 million by TAQA Morocco.
- Increase in financing debts of MAD 407 million, mainly due to the debt drawdown relating to the additional right of use of MAD 1.5 billion as well as by repayments for the year.

CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

CONSOLIDATED BALANCE SHEET

(In thousands of dirhams)			
	Notes	2020	2019
ASSETS			
• Intangible Assets	1.2.1 & 2.1	5,130,254	3,679,968
• Fixed Assets	1.2.2 & 2.1	9,022,612	9,373,951
• Financial Assets	2.2	853	1,330
• Long Term Exchange Fluctuations		227,654	0
TOTAL LONG TERM ASSETS		14,381,373	13,055,249
• Inventory	1.2.3 & 3	1,469,064	1,525,923
• Trade Receivables	4	1,338,555	1,916,501
• Other Receivables	5	580,972	641,803
• Short term Investments	6	1,571,340	1,659,237
• Other assets		12,157	17,874
• Cash	7	281,923	431,566
CURRENT ASSETS		5,254,012	6,192,904
TOTAL ASSETS		19,635,385	19,248,153
EQUITY & LIABILITIES			
• Share Capital		2,358,854	2,358,854
• Share Premium		1,164,805	1,164,805
• Reserves		1,165,725	960,987
• Net Income - Group Share		880,159	1,054,189
• Group Equity	8	5,569,542	5,538,835
• Minority Interest		1,066,996	1,041,394
CONSOLIDATED SHAREHOLDERS' EQUITY		6,636,538	6,580,229
• Provisions	1.2.5 & 9	25,852	23,937
• Borrowings	10	10,781,257	10,144,000
• Long Term Exchange Fluctuations	10	88,976	0
LONG TERM LIABILITIES		10,896,084	10,167,937
• Current payables	11	757,897	1,182,764
• Other Payables	12	1,344,866	1,317,223
CURRENT LIABILITIES		2,102,763	2,499,987
TOTAL LIABILITIES		12,998,847	12,667,923
TOTAL EQUITY & LIABILITIES		19,635,385	19,248,153

CONSOLIDATED INCOME STATEMENT

(In thousands of dirhams)			
	Notes	2020	2019
REVENUES			
Turnover	13	7,788,737	9,117,946
Other revenues		1,068	2,751
Operating expense reversals		8,879	14,419
		7,798,684	9,135,116
EXPENSES			
Operating expenses	14	4,297,005	5,318,342
Taxes		24,098	24,175
Labor costs	15	316,724	273,867
Depreciation	16	802,012	968,598
		5,439,838	6,584,981
Operating income		2,358,846	2,550,134
Financial income	17	(564,340)	(520,604)
Current income		1,794,505	2,029,530
Non current income	18	(94,077)	(21,479)
Income before tax		1,700,429	2,008,051
Income tax	19	556,602	636,289
Consolidated net income		1,143,827	1,371,761
Group net income		880,159	1,054,189
Minority interests		263,668	317,572
CONSOLIDATED NET INCOME		1,143,827	1,371,761
EARNING PER SHARE (IN MAD)		37.31	44.69
TOTAL TAX CHARGE		556,602	636,289

CONSOLIDATED CASH FLOW STATEMENT

(In thousands of dirhams)		
	2020	2019
Cash flow from operations		
Net income from integrated companies	1,143,827	1,371,761
Elimination of expenses and proceeds having no incidence on the cash or not linked to the business		
- Operating allowances and non-current provisions	813,528	962,799
- Deferred taxes variance	(18,672)	8,571
- Capital gains from disposals net of tax	-	-
Net working capital variance	323,509	(272,650)
Net cash flows generated by the activity	2,262,191	2,070,481
Cash flow related to investment operations		
Acquisition of fixed assets	(1,888,106)	(112,213)
Disposals of fixed assets net of tax	477	646
Incidence of the perimeter change	-	-
Net cash flow related to investment operations	(1,887,629)	(111,567)
Cash flow related to financing operations		
Dividends paid (*)	(1,019,188)	(1,113,542)
Capital increase in cash	-	-
Issuing of loans	4,283,417	-
Repayment of loans	(3,876,331)	(1,085,120)
Net cash flow from financing operations	(612,101)	(2,198,662)
Cash variance	(237,539)	(239,747)
Opening cash	2,090,802	2,330,550
Closing cash	1,853,263	2,090,802

(*) Of which dividends paid by TAQA Morocco equal to KDH 849,188 in 2020 compared with KDH 943,542 in 2019. The remainder consists of the dividends provided by JLEC 5 & 6 at TAQA Power Ventures B.V.

6 CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

TAQA MOROCCO GROUP

CONSOLIDATED EXPLANATORY NOTES AS OF DECEMBER 31, 2020 AND 2019

1. Accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are stated below :

1.1. Basis of preparation

The principles and methods of consolidation used by the Group are in accordance with the methodology adopted by the National Accounting Council for the preparation of the consolidated financial statements in its opinion n° 5.

1.1.1. Scope and consolidation methods

The companies in which the Group exercises direct or indirect exclusive control are fully consolidated. Exclusive control is the direct or indirect power of leading a company's financial and operating policies to take advantage of its activities.

Companies in which the Group directly or indirectly exercises significant influence are consolidated using the equity method.

Significant receivables, debts, income and expenses are eliminated in full for fully consolidated companies.

1.1.2. Closing dates

TAQA Morocco and JLEC 5&6 close their accounts respectively on December 31st and September 30th.

1.2. Valuation methods

1.2.1. Intangible assets

All the major outages are executed every 8 years for each unit, according to a pre-established major outage plan. The major outage expenditures are amortized over the same period.

- Initial Right of possession

In accordance with the Transfer of Possession Agreement (TPA) and in counter part of the payment of the TPA fee, "ONE" transfers to JLEC its "right of possession" of the units 1&2. This "right of possession" is capitalized as an intangible asset, and amortized over the period of concession (until April 15th, 2044).

- Complementary Right of Possession related to Units 3&4

TAQA Morocco has completed the construction of Units 3&4 respectively after a period of 33 months and 40 months starting on financial closing date as well other investments related to the plant. During the period of construction, the total cost of construction that includes capitalized interest, have been accounted for as a Fixed Asset in Progress. From the commercial operation date of Unit 4, on February 2nd, 2001, the "right of possession" has been extended to the new Units (3&4), and the corresponding intangible asset are amortized over the remaining period of concession (until April 15th, 2044).

- Additional Right of Possession related to the PPA extension of Units 1-4

ONEE and TAQA Morocco signed, on January 24th, 2020, the extension of the Power Purchase Agreement (PPA) for Units 1 to 4, allowing the alignment of the two PPAs 1 to 4 and 5 & 6 to 2044. In this context, TAQA Morocco has paid the additional right of use for an amount of DH 1.5 billion which was capitalized as an intangible asset and amortized over the duration of the concession (until April 15th, 2044).

- Financing cost

Costs incurred to obtain financing were capitalized, and then such costs were amortized as a financial cost over a five year period. The periodic amortization of such costs is noted in the operating depreciation in accordance with Moroccan GAAP (CGNC).

- Other Project Development Costs

At Financial Closing, the Company also capitalized certain other costs paid by Related Parties during the development stage as an intangible asset. These capitalized costs are allocated during the entire period of the concession (until April 15th, 2044).

1.2.2. Fixed assets

This account includes all Fixed Assets for which the estimated life duration is less than the concession period. They are recorded at their acquisition costs or production costs. Their depreciations are calculated on a straight-line basis based on

the applicable tax rates.

This account includes all Fixed Assets for which the estimated life duration is less than the concession period. They are recorded at their acquisition costs or production costs. Their depreciations are calculated on a

1.2.3. Inventories

The inventories are accounted for at their initial cost. Such cost will include the initial prices and any other accessory costs. At the end of the fiscal year, the inventories are evaluated according to the weighted average cost, except for spare parts inventory by applying the First In First Out (FIFO) Method.

1.2.4 Foreign Currency Transaction

Receivables and debts in foreign currencies are accounted at the exchange rate prevailing on the date of the transaction. These receivable and debts are converted at the balance sheet closing exchange rate and readjusted in the asset/liability short term exchange of fluctuation.

Unrealized foreign exchange losses are recognized in the income statement through financial provisions, with the exception of those relating to financing debts denominated in US dollars and Euros, which are the subject of quasi-currency hedging transactions resulting from an overall foreign exchange position.

The unrealized gains are not recorded in the income statement.

1.2.5 Provisions for risks and charges

As of December 31, 2020, the provisions for risks and charges correspond to the provisions for postemployment benefits subject to an actuarial valuation by an independent firm.

These social benefits are related to the gratuities of electricity for the benefit of the statutory staff of TAQA Morocco.

1.2.6 Tax restatements

Deferred tax resulting from the consolidation restatements are calculated by company.

2. Assets

2.1. Net assets

In thousands of dirhams	December 31, 2020			December 31, 2019		
	Gross	Amorts. Prov.	Net amount	Gross	Amorts. Prov.	Net amount
Intangible assets (*)	14,305,805	9,175,551	5,130,254	12,468,307	8,788,339	3,679,968
Tangible assets (**)	12,055,476	3,032,864	9,022,612	12,012,092	2,638,141	9,373,951
Total	26,361,281	12,208,415	14,152,866	24,480,399	11,426,480	13,053,919

(*) Intangible assets correspond mainly to the right of possession of TAQA Morocco for a net amount of DH 4,438,574 thousands. In 2020, TAQA Morocco recognized as intangible assets the additional right of use for an amount of DH 1.5 billion which was amortized over the remaining term of the concession (until April 15th, 2044).

(**) Fixed assets correspond mainly to the Units 5&6 and the port superstructure.

2.2. Financial assets

In thousands of dirhams	December 31, 2020		December 31, 2019	
Loans		228		630
Other financial assets		625		700
Total		853		1,330

3. Inventories

In thousands of dirhams	December 31, 2020			December 31, 2019		
	Gross	Provisions	Net amount	Gross	Provisions	Net amount
Spare parts	1,073,773	20,077	1,053,696	1,033,594	8,879	1,024,715
Coal	350,993		350,993	462,383		462,383
Fuel	54,309		54,309	28,169		28,169
Other inventories	10,066		10,066	10,656		10,656
Total	1,489,141	20,077	1,469,064	1,534,802	8,879	1,525,923

The inventories consist mainly of coal and spare parts.

The provision booked as of December 31, 2020 has been calculated based on the obsolescence study carried out which has covered all the spare parts in stock.

4. Trade receivables

In thousands of dirhams	December 31, 2020			December 31, 2019		
	Gross	Provisions	Net amount	Gross	Provisions	Net amount
Trade receivables	1,338,555		1,338,555	1,916,501		1,916,501
Total	1,338,555		1,338,555	1,916,501		1,916,501

Accounts receivable mainly include the two invoices of TAQA Morocco for the months of November and December and JLEC 5 & 6 for the months of August and September in accordance with the payment term of the Power Purchase Agreement.

The decrease in trade receivables is mainly due to the decrease in energy payments following the drop in the coal price in the international market, as well as the execution of the minor outage of Unit 1 in November 2020.

5. Other receivables

In thousands of dirhams	December 31, 2020			December 31, 2019		
	Gross	Provisions	Net amount	Gross	Provisions	Net amount
Suppliers advances	18,743		18,743	30,207		30,207
Employee	2,519		2,519	1,929		1,929
State	549,474		549,474	607,762		607,762
Other receivables	154		154			
Prepaid	10,082		10,082	1,905		1,905
Total	580,972		580,972	641,803		641,803

6. Short term investments

Short term investments correspond to investments of the surplus cash in money market, bond and money-market funds.

7. Cash

In thousands of dirhams	December 31, 2020	December 31, 2019
Cash	281,923	431,566
Net cash	281,923	431,566

TAQA Morocco's bank accounts denominated in Dirhams, Euros and Dollars are opened with the following banks: Attijariwafa Bank, BCP, BMCE, Societe Generale and BMCI. JLEC 5&6 bank accounts denominated in Dirhams, Euros and Dollars are opened with BCP and BNP Paribas London.

8. Group equity

The change in Group equity is broken down as follows:

In thousands of dirhams	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (GROUP SHARE)				
	Capital	Share premium	Consolidated reserves	Net income of the year	Consolidated equity
Balance as of December 31, 2018	2 358 854	1 164 805	855 807	1 048 725	5 428 192
Income allocation	-	-	105 179	(1 048 725)	(943 546)
Net income as of December 31, 2019	-	-	-	1 054 189	1 054 189
Balance as of December 31, 2019	2 358 854	1 164 805	960 987	1 054 189	5 538 835
Income allocation	-	-	204 738	(1 054 189)	(849 451)
Net income as of December 31, 2020	-	-	-	880 159	880 159
Balance as of December 31, 2020	2 358 854	1 164 805	1 165 725	880 159	5 569 542

9. Provisions for risks and charges

In thousands of dirhams	December 31, 2020	December 31, 2019
Provisions for risks		
Provisions for charges	25,852	23,937
Total	25,852	23,937

The provisions for risks and charges correspond to the provisions for employee postemployment benefits subject to an actuarial valuation by an independent firm. These social benefits are related to the gratuities of electricity for the benefit of the statutory staff of TAQA Morocco.

10. Borrowings

In thousands of dirhams	December 31, 2020	December 31, 2019
TAQA Morocco	4,058,498	2,890,523
JLEC 5&6 (*)	6,681,803	7,253,477
Lease Restatements	40,956	-
Total	10,781,257	10,144,000

(*) As of December 31, 2019, the borrowings of JLEC 5 & 6 include long term exchange fluctuations.

TAQA MOROCCO

	Fixed interest rate	Repayment method	Outstanding amount (Kdh)	
			2020	2019
Bank Loan issued in 2009 (*)	4,80%	Quarterly		2,890,523
Bond (*)	3,75%	Biannual	2,625,000	
Bank Loan issued in 2020 (**)	5,62%	Quarterly	1,433,498	
Total			4,058,498	2,890,523

(*) As of September 7, 2020, TAQA Morocco issued a bond by private placement with qualified investors for an amount of DH 2.7 billion, with a 18 years tenor, repayable semi-annually, at the fixed rate of 3.75% per annum. In parallel, the bank facility issued in 2009 has been repaid for an amount of DH 2.7 billion on September 22, 2020.

(**) As of September 30, 2020, a bank facility (15 years) was issued for an amount of DH 1.5 billion to finance the payment of the additional right of use.

JLC 5&6

Facility	Interest rate	Currency	Total amount by facility in original currency	BAM Exchange Rate as of September 30, 2020	Balance as of September 30, 2020 in thousands of dirham	Balance as of September 30, 2019 in thousands of dirham
JBIC Direct Loan	4,23%	USD	126 900,00	9,25	1 173 647	1 119 522
NEXI Covered Loan	3,92%	EUR	67 680,00	10,83	733 042	847 485
KEXIM Direct Loan	4,27%	EUR	91 650,00	10,83	992 661	1 153 255
KEXIM Covered Loan	5,16%	EUR	61 100,00	10,83	661 774	773 139
EUR TERM Facility	4,42%	EUR	17 625,00	10,83	190 896	222 420
MAD TERM Facility	5,50%	MAD	1 756 934,00	1,00	1 756 934	1 973 747
TAQA International BV	7,00%	USD	126 813,00	9,25	1 172 848	1 087 910
Total					6 681 803	7 253 477

11. Trade payables

In thousands of dirhams	December 31, 2020	December 31, 2019
Trade payables	757,897	1,182,764
Total	757,897	1,182,764

Coal suppliers represent 49% of the trade payables as of December 31, 2020 and 62% as of December 31, 2019.

12. Other payables

In thousands of dirhams	December 31, 2020	December 31, 2019
Clients advances	69,264	38,716
Employee	58,816	45,735
Social security/pension funds	13,917	13,378
State	206,699	277,581
Deferred tax liabilities	82,359	101,031
Affiliate current accounts (TPV - JLEC 5&6)	238,000	169,999
Other payables	485,235	522,883
Accruals	141,415	129,572
Other provisions for contingencies and losses	49,161	18,328
Total	1,344,866	1,317,223

State debts mainly include the corporate income tax and the invoiced VAT accounts.

Other creditors consist mainly of the advances invoiced to ONEE for the VAT credit in accordance with the terms of the Power Purchase Agreement, as well as the dividends to be paid by JLEC 5 & 6 to TAQA Power Ventures B.V.

13. Turnover

In thousands of dirhams	December 31, 2020	December 31, 2019
Capacity revenues	3,949,442	4,246,366
Energy payments	3,577,300	4,716,051
Other revenues	261,995	155,529
Total	7,788,737	9,117,946

14. Purchases and other external expenses

In thousands of dirhams	December 31, 2020	December 31, 2019
Coal consumption	3,666,373	4,742,687
Fuel consumption	21,039	21,148
Other consumed purchases	352,144	328,782
Other external expenses	253,949	225,725
Attendance Fees	3,500	-
Total	4,297,005	5,318,342

15. Staff expenses

In thousands of dirhams	December 31, 2020	December 31, 2019
Staff expenses	316,724	273,867
Average headcount	481	466
Average salary	658	587

16. Depreciation

In thousands of dirhams	December 31, 2020	December 31, 2019
Amortization	781,935	959,719
Provisions	20,077	8,879
Total	802,012	968,598

Provisions are primarily related to provisions for impairment of spare parts inventories.

17. Financial income

In thousands of dirhams	December 31, 2020	December 31, 2019
Interests and other financial proceeds	46,957	52,838
Financial reversals and expense transfers	15,690	1,191
Foreign exchange gain & loss	(41,733)	2,908
Interest expenses	(576,179)	(561,851)
Financial provisions	(9,075)	(15,690)
Total	(564,340)	(520,604)

Interest and other financial income correspond to the interests on the surplus cash investments.

Financial reversals correspond to reversals of provisions for foreign exchange losses of the previous year.

Interest expenses correspond to interests related to TAQA Morocco and JLEC 5&6 facilities.

18. Non current income

In thousands of dirhams	December 31, 2020	December 31, 2019
Other non current revenue	22	806
Other non current expenses	(92,184)	(19,206)
Non current depreciation and provision allocations	(1,915)	(3,079)
Total	(94,077)	(21,479)

Other non-current expenses include the Social Solidarity Contribution (CSS) of TAQA Morocco and JLEC 5 & 6, non-current expenses related to the COVID 19 outbreak as well as other non-current expenses.

19. Income tax

In thousands of dirhams	December 31, 2020	December 31, 2019
Current tax	575,274	627,718
Deferred tax	(18,672)	8,571
Total	556,602	636,289

The deferred tax result only from the consolidation restatements (mainly temporary differences).

The tax proof is presented as follows:

Tax proof	2020	2019
Income before tax	1,700,429	2,008,051
Profit before tax from consolidated companies	1,700,429	2,008,051
Income tax rate (*)	31%	31%
Theoretical tax	527,133	622,496
Tax related to Re-integrated depreciation allowances	2,547	7,373
Tax related to Re-integrated donation and gifts	0	186
Tax related to Other permanent differences	1,998	612
Tax related to Other restatements	24,924	5,623
Total tax charge	556,602	636,289

20. Off-balance sheet commitments

In thousands of dirhams	December 31, 2020	December 31, 2019
Commitments given (endorsements and sureties)	2,768	913,579
Commitments received (endorsements and sureties)	1,597,230	1,659,386

The list of assets of JLEC 5 & 6 that are subject to a security rights in the financing, construction and operation of Units 5 and 6 of the Jorf Lasfar Thermal Power Plant (the «Project») is presented as following :

- two pledges covering all the shares (less three shares) of JLEC 5 & 6, representing 100% (less three shares) of its share capital;
- a real estate mortgage relating to the surface right available to JLEC 5 & 6 on the Units 5 and 6 site and covered by Special Title No. 146.616 / 08 / BIS and Special Title No. 146.617 / 08 / BIS;
- an agreement for the assignment of trade receivables relating to certain Project contracts and the corresponding assignments of trade receivables;
- an agreement for the assignment of trade receivables;
- Delegations of insurance benefits relating to insurance underwritten under the Project;
- pledges of bank account balances dedicated to JLEC 5 & 6;
- a pledge of receivables from hedging instruments concluded under the JLEC 5 & 6 project;
- an assignment of reinsurance indemnity claims relating to reinsurance underwritten under the JLEC 5 & 6 Project;
- Insurance claims of TAQA Morocco.

21. Related parties transactions

The transactions with related parties in 2020 are summarized below:

Agreement	Related party	Transaction type	Amount recorded in the 2020 income statement (in thousand of dirhams)
Support services agreement (including the assistance in the finalization of the financial, assistance in the reporting obligations and legal aspects).	TNA	Re-invoicing	6 453
TAQA Morocco provides services to JLEC 5 & 6, particularly in the following areas : HR (recruitment, training), technical support, logistics and purchasing, IT, implementation of health, safety & environment procedures.	JLEC 5&6	Re-invoicing	10 970
O&M agreement between TAQA Morocco, TNA et JLEC 5&6	JLEC 5&6 et TNA	Refacturation + bonus - malus	4 319
« IPFPA » (Inter-Project Funding Providers Agreement) and its application protocol « SFIPAP » (Shared Facilities Insurance Proceeds Application Protocol).	TAQA Morocco - JLEC 5&6	Re-invoicing	0
« EPA » (Equity Parties Agreement)	Abu Dhabi National Energy Company (TAQA), JLEC 5&6, Taqa Power Ventures BV	Re-invoicing	0
O&M agreement between entre TAQA Morocco et TNA	TNA	Re-invoicing	81 205
Subordinated loans granted to JLEC 5&6 to finance development and construction costs	TAQA International BV	Interests	88 611

22. Contingent liabilities

Tax returns for the years 2017 to 2020 are not yet prescribed, and could be subject to audits and possible adjustments.

23. Events after the closing

No significant event that could have an impact on the financial position of the Company has occurred since the 2020 year financial closing.

24. Consolidation Perimeter

Consolidation Perimeter	DECEMBER 2020			DECEMBER 2019		
	% interest	% control	Method	% interest	% control	Method
TAQA MOROCCO	100	100	Full consolidation	100	100	Full consolidation
JLEC 5&6	66	66	Full consolidation	66	66	Full consolidation



ERNST & YOUNG SARL
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To the Shareholders of
TAQA MOROCCO S.A.
Centrale thermique de Jorf Lasfar
BP 99 Sidi Bouzid - El Jadida



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Casablanca

THIS IS A FREE TRANSLATION INTO ENGLISH OF THE SPECIAL REPORT OF THE STATUTORY AUDITOR ISSUED IN FRENCH
AND IT IS PROVIDED SOLELY FOR THE CONVENIENCE OF ENGLISH-SPEAKING USERS

SPECIAL REPORT OF THE STATUTORY AUDITOR ON THE REGULATED AGREEMENTS PERIOD FROM JANUARY 1st TO DECEMBER 31, 2020

To the shareholders,

In accordance with our assignment as statutory auditors of your Company, we hereby present our report on regulated agreements in accordance with articles 56 to 59 of Law 17-95 as amended and supplemented by Laws 20-05, 78-12 and 20-19.

Our responsibility is to present the characteristics and terms of the agreements notified to us by the Chairman of the Supervisory Board or that we have discovered during our assignment. However, we do not express any opinion regarding their usefulness and appropriateness, nor to look for the existence of other regulated agreements. It is your responsibility, according to the law abovementioned, to approve such agreements.

We have performed the necessary procedures according to the standards of the profession in Morocco. These procedures consisted of verifying the accuracy of information communicated to us with the corresponding supporting documentation.

1. AGREEMENTS CONCLUDED DURING THE YEAR

Your Chairman did not inform us of any new agreement concluded during the year 2020.

2. AGREEMENTS CONCLUDED DURING THE PREVIOUS YEARS AND WITH CONTINUING EFFECT DURING THIS YEAR

2.1. Support Service agreement with JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6, 66% owned by TAQA Morocco.

Nature and purpose of the agreement: The company signed on January 28, 2013 a support service agreement, particularly in the following areas: human resources, technical support, logistics and purchasing, information systems, as well as the implementation of health, safety and environment procedures.

Main terms: TAQA Morocco invoices on a monthly basis to JLEC 5&6 an amount of KMAD 914 VAT excluded.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized under this agreement in income amounts to KMAD 10,970. The remaining balance to be paid at this date amounts to KMAD 1,097.

Amounts received or paid: As of December 31, 2020, the total collections under this agreement amounts to KMAD 13,152 VAT included.

2.2. Support Service agreement with TAQA North Africa (written agreement)

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA ».

Nature and purpose of the agreement: The company signed on February 22, 2013 a support service agreement with TAQA North Africa, particularly in the following areas: finalization of accounting statements, assistance in reporting obligations as well as legal aspects.

Main terms: TAQA North Africa invoices on a monthly basis to TAQA Morocco an amount of KMAD 538 VAT excluded.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized under this agreement as an expense amount to KMAD 6,453. The remaining balance to be paid at this date amounts to KMAD 645.

Amounts received or paid: As of December 31, 2020, the total payments under this agreement amount to KMAD 7,088 VAT included.

2.3. Agreement entitled Inter-Project Funding Providers Agreement ("IPFPA") between TAQA Morocco, JLEC 5&6 and the financial institutions of TAQA Morocco and JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6, 66% owned by TAQA Morocco.

Nature and purpose of the agreement: The company signed on January 10, 2013 the IPFPA governing, among others, the treatment of insurance proceeds for the shared facilities of the power plant as well as the debt levels of TAQA Morocco.

Main terms: The "IPFPA" and its "SFIPAP" protocol determine the conditions for opening accounts and allocating insurance proceeds for the shared facilities of the power plant. These agreements also govern the designation of the responsible for organizing, obtaining and managing insurance and reinsurance for shared facilities of the power plant on behalf of the Borrowers (TAQA Morocco and JLEC 5&6) and the debt limit of TAQA Morocco as well as other matters and agreements between the parties.

Amount of services provided or delivered: As of December 31, 2020, no transaction has occurred under this agreement.

2.4. Operation and Maintenance Agreement "The O&M Agreement" signed between TAQA Morocco and CMS MOPCO (now TAQA North Africa) (written agreement).

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA ».

Nature and purpose of the agreement: Remuneration for the management of technical assistance services as well as the bonus or penalty on the availability of units 1 to 4 and on the Heat rate.

Main terms: This contract, dated September 4, 1997, determines the operation and maintenance sub-contracting conditions for units 1 to 4 and port installations.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for management fees as an expense amount to KMAD 60,131. The remaining balance to be paid on that date amounts to KMAD 4,783.

Amounts received or paid: As of December 31, 2020, the total payments for management fees amounts to KMAD 67,835 VAT included.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for the bonus on the availability of units 1 to 4 (Available Capacity Incentive Payment) as an expense amount to KMAD 21,091. The remaining balance to be paid at this date amount to KMAD 25,290.

Amounts received or paid: As of December 31, 2020, the total payments relating to ACIP amounts to KMAD 33,120 VAT included.

No invoicing was issued for the Heat rate penalty for the fiscal year ended December 31, 2020.

2.5. Authorization process to increase financing lines and equity financing for TAQA Morocco named Equity Parties Agreement « EPA » between TAQA, TAQA Morocco, JLEC 5&6, TPV, TAQA International BV « TIBV » and the financial institutions of JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6 (66% owned by TAQA Morocco), TAQA Power Ventures BV (holding 34% of the capital of JLEC 5&6), TAQA International BV (held by TAQA Abu Dhabi) and Abu Dhabi National Energy Company (holding 100% of the capital of the company JLEC 5&6 through the companies TAQA Morocco and TAQA Power Ventures BV).

Nature and purpose of the agreement: On June 20, 2012, TAQA Morocco signed the Equity Parties Agreement (EPA) governing the authorization process related to increasing financing lines and equity financing for TAQA Morocco.

Main terms: The "EPA" determines the characteristics of funds injections, applicable restrictions, capital structure of TAQA Morocco, debt levels and financing transactions.

Amount of services provided or delivered: As of December 31, 2020, no transaction has occurred under this agreement.

2.6. Operation and maintenance agreement signed with JLEC 5&6 and TAQA North Africa (written agreement)

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA » and JLEC 5&6 (66% owned by TAQA Morocco).

Nature and purpose of the agreement: TAQA Morocco has signed the "O&M Agreement" with TAQA NORTH AFRICA, JLEC 5&6 and Office National de l'Electricité et de l'Eau Potable « ONEE ». This agreement dated March 5, 2012 and its addendum dated December 12, 2012 determine the subcontracting, operation and maintenance conditions for units 5 & 6 of the plant and common facilities between TAQA Morocco and JLEC 5&6.

Main terms: The management fees are calculated according to the services provided for the management of the common facilities on behalf of TAQA Morocco.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for the management of common facilities as an expense amount to KMAD 4,320. The remaining balance to be paid at this date amounts to KMAD 418.

Amounts received or paid: As of December 31, 2020, the total payments amount to KMAD 4,325 VAT included.

Casablanca, March 12, 2021

French original signed by

ERNST & YOUNG

Abdelmajid FAIZ
Associé

Statutory Auditors

French original signed by

BENJELLOUN
TOUIMI CONSULTING

Abdelmajid
BENJELLOUN TOUIMI
Associé

6 CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

BALANCE SHEET				
Moroccan Dirhams				
From January 2020 to December 2020				
ASSET	CURRENT YEAR		PREVIOUS YEAR	
	GROSS	Dep/Amort. and provisions	Net	Net
CAPITALIZED COST (A)	462,448,975.32	221,316,436.71	241,132,538.61	228,447,603.71
Pre-Operating Costs	-	-	-	-
Deferred Expenditures	462,448,975.32	221,316,436.71	241,132,538.61	228,447,603.71
Bond Reimbursement Costs	-	-	-	-
INTANGIBLE ASSETS (B)	13,402,663,389.98	8,794,631,277.45	4,608,032,112.53	3,297,469,416.45
Research and development Costs	-	-	-	-
Licenses, trademarks, rights and similar values	12,615,328,250.68	8,176,753,816.42	4,438,574,434.26	3,120,723,235.89
Goodwill	-	-	-	-
Other intangible assets	787,335,139.30	617,877,461.03	169,457,678.27	176,746,180.56
FIXED ASSETS (C)	974,091,537.58	697,604,532.08	276,477,005.48	299,885,062.51
Land	-	-	-	-
Constructions	9,389,548.11	1,529,428.58	7,860,119.55	1,560,876.57
Technical installations, tools and equipment	622,317,160.65	472,083,794.76	150,233,365.89	139,090,430.61
Vehicles	2,214,265.53	2,177,043.28	37,222.25	77,888.91
Office furniture and equipment other fixtures and furnishing	286,563,225.10	221,500,294.98	65,062,930.12	81,372,546.33
Other fixed assets	313,970.50	313,970.50	-	-
Fixed assets in progress	53,283,367.67	-	53,283,367.67	77,783,320.09
LONG TERM FINANCIAL ASSETS (D)	1,200,677,436.13	-	1,200,677,436.13	1,201,078,714.03
Loans	228,373.27	-	228,373.27	629,651.17
Other long term financial assets	449,462.86	-	449,462.86	449,462.86
Shares, Interests	1,199,999,600.00	-	1,199,999,600.00	1,199,999,600.00
Other investments	-	-	-	-
LONG TERM EXCHANGE FLUCTUATION (E)	-	-	-	-
Decrease in long term assets	-	-	-	-
Increase in long term liabilities	-	-	-	-
TOTAL I (A+B+C+D+E)	16,039,871,338.99	9,713,552,246.24	6,326,319,092.75	5,026,880,796.70
INVENTORIES (F)	905,429,060.06	20,076,770.00	885,352,290.06	1,011,174,919.30
Merchandises	-	-	-	-
Consumables	905,429,060.06	20,076,770.00	885,352,290.06	1,011,174,919.30
Work in progress	-	-	-	-
Intermediary inventories	-	-	-	-
Finished goods	-	-	-	-
CURRENT ASSETS (G)	1,609,331,776.63	-	1,609,331,776.63	1,876,654,755.82
Suppliers advances	10,024,832.66	-	10,024,832.66	10,726,392.17
Trade receivables	638,399,976.87	-	638,399,976.87	999,892,903.76
Employee	1,859,195.52	-	1,859,195.52	1,303,611.67
Recoverable VAT	495,963,784.39	-	495,963,784.39	534,735,230.69
Affiliates current accounts	-	-	-	-
Other debtors	461,995,264.55	-	461,995,264.55	329,996,617.53
Prepaid	1,088,724.64	-	1,088,724.64	-
SHORT TERM INVESTMENTS (H)	983,473,216.24	-	983,473,216.24	942,495,255.02
SHORT TERM EXCHANGE FLUCTUATION (I)	2,925,996.80	-	2,925,996.80	2,184,414.28
(Current assets and liabilities)	-	-	-	-
TOTAL II (F+G+H+I)	3,501,160,051.53	20,076,770.00	3,481,083,281.53	3,832,509,344.43
CASH AND BANKS	-	-	-	-
Checks & cash in transit	-	-	-	-
Banks	27,595,550.51	-	27,595,550.51	10,148,391.42
Petty cash	13,014.90	-	13,014.90	11,043.90
TOTAL III	27,608,565.41	-	27,608,565.41	10,159,435.32
TOTAL GENERAL I+II+III	19,568,639,956.93	9,733,629,016.24	9,835,010,939.69	8,869,549,576.45

INCOME STATEMENT				
Moroccan Dirhams				
From January 2020 to December 2020				
	OPERATIONS		CURRENT YEAR	PREVIOUS YEAR
	Related to this year 1	Related to Previous year 2	3 = 1 + 2	4
I - OPERATING REVENUES				
Sales of goods	-	-	-	-
Sales of services and produced goods	4,233,438,871.17	-	4,233,438,871.17	5,124,120,332.42
Turnover	-	-	-	-
Inventory variation (+/-) (1)	-	-	-	-
Self-constructed fixed asset	-	-	-	-
Operating subsidy	-	-	-	-
Other revenues	1,068,275.12	-	1,068,275.12	2,750,669.98
Operating expense adjustments; operating expense transfers	65,679,835.26	-	65,679,835.26	14,418,797.69
TOTAL I	4,300,186,981.55	-	4,300,186,981.55	5,141,289,800.09
II - OPERATING EXPENSES				
Sales purchase value (2)	-	-	-	-
Raw materials and consumables consumptions (2)	2,670,745,511.55	-	2,670,745,511.55	3,389,353,253.45
Other external expenses	174,777,995.92	-	174,777,995.92	154,590,570.47
Taxes	23,486,012.51	-	23,486,012.51	23,603,361.16
Labor costs	246,222,067.03	-	246,222,067.03	211,780,536.10
Other operating expenses	3,500,000.00	-	3,500,000.00	-
Current year operating depreciations and provisions	401,413,464.34	-	401,413,464.34	609,887,884.41
TOTAL II	3,520,145,051.35	-	3,520,145,051.35	4,369,215,605.59
III - OPERATING RESULT (I - II)	780,041,930.20	-	780,041,930.20	772,074,194.50
IV - FINANCIAL REVENUES				
Revenues from investments	461,995,264.55	-	461,995,264.55	329,996,617.53
Exchange gains	1,248,044.58	-	1,248,044.58	5,300,825.63
Interest	32,104,301.50	-	32,104,301.50	35,649,204.38
Financial expense adjustments; Financial expense transfers	-	-	-	1,191,361.52
TOTAL IV	495,347,610.63	-	495,347,610.63	372,138,009.06
V - FINANCIAL EXPENSES				
Interest costs	196,208,837.78	-	196,208,837.78	152,689,346.43
Exchange losses	18,499,817.92	-	18,499,817.92	6,014,382.62
Other financial costs	-	-	-	-
Current year financial depreciations and provisions	-	-	-	-
TOTAL V	214,708,655.70	-	214,708,655.70	158,713,729.05
VI - FINANCIAL INCOME (IV - V)	280,638,954.93	-	280,638,954.93	213,424,280.01
VII - CURRENT INCOME (III + VI)	1,060,680,885.13	-	1,060,680,885.13	965,498,474.51

BALANCE SHEET			
Moroccan Dirhams			
From January 2020 to December 2020			
LIABILITY	CURRENT YEAR	PREVIOUS YEAR	
SHAREHOLDERS EQUITY (A)			
Share capital (1)	2,358,854,200.00	2,358,854,200.00	
Minus : subscribed and not paid up capital	-	-	
Issuance, merger and transfer premiums	1,164,804,710.00	1,164,804,710.00	
Write up variances	-	-	
Legal reserve	235,885,420.00	235,885,420.00	
Investment reserve	-	-	
Other reserves	21,232,475.53	129,505,051.42	
Retained earnings (2)	-	-	
Earnings to be allocated (2)	-	-	
Net earnings (2)	815,667,950.70	740,914,936.11	
TOTAL SHAREHOLDERS EQUITY (A)	4,596,444,756.23	4,629,964,317.53	
ASSIMILATED EQUITY (B)	-	-	
Investment Subsidy	-	-	
Regulated reserves	-	-	
LONG TERM FINANCIAL DEBTS (C)	4,058,497,579.70	2,890,522,876.23	
Bonds issued	2,624,999,940.00	-	
Other long term financial debts	1,433,497,639.70	2,890,522,876.23	
LONG TERM PROVISIONS (D)	25,851,518.00	23,936,856.00	
Risk provisions	-	-	
Provisions for costs	25,851,518.00	23,936,856.00	
LONG TERM EXCHANGE FLUCTUATION (E)	-	-	
Increase in receivables	-	-	
Reduction in financial debt	-	-	
TOTAL I (A+B+C+D+E)	8,680,793,853.93	7,544,424,049.76	
CURRENT LIABILITIES (F)	1,116,021,733.50	1,319,934,017.87	
Trade payables	449,315,665.65	588,704,823.11	
Client advances	12,950,372.90	38,716,112.01	
Employee	45,829,197.52	35,479,155.91	
Social security / Pension funds	11,566,215.58	10,813,807.17	
State	87,323,379.19	128,603,084.04	
Affiliates current accounts	1,697.19	1,697.19	
Other creditors	484,259,928.83	517,438,632.07	
Accruals	24,775,276.64	176,706.37	
OTHER PROVISIONS (G)	32,316,432.44	2,638,182.44	
SHORT TERM EXCHANGE FLUCTUATION (H)	5,878,919.82	2,563,326.38	
TOTAL II (F+G+H)	1,154,217,085.76	1,325,125,526.69	
BANK-OVERDRAFTS	-	-	
Discounted bills	-	-	
Overdrafts	-	-	
Banks (Credit balance)	-	-	
TOTAL III	-	-	
TOTAL GENERAL I+II+III	9,835,010,939.69	8,869,549,576.45	

INCOME STATEMENT				
Moroccan Dirhams				
From January 2020 to December 2020				
	OPERATIONS		CURRENT YEAR	PREVIOUS YEAR
	Related to this year 1	Related to Previous year 2	3 = 1 + 2	4
VII - CURRENT INCOME (reports)	1,060,680,885.13	-	1,060,680,885.13	965,498,474.51
VIII - UNUSUAL REVENUES				
Proceeds from fixed assets disposals	-	-	-	-
Balance subsidy	-	-	-	-
Investment subsidy / Current year	-	-	-	-
Other unusual revenues	-	-	-	-
Unusual expenses reductions	23,936,856.00	-	23,936,856.00	23,286,066.66
Unusual expenses transfer	-	-	-	-
TOTAL VIII	23,936,856.00	-	23,936,856.00	23,286,066.66
IX - UNUSUAL EXPENSES				
Sold fixed assets net book value	-	-	-	-
Subsidies awarded	-	-	-	-
Other unusual expenses	57,838,574.00	-	57,838,574.00	19,660,433.74
Unusual allotment for current year depreciations and provisions	25,851,518.00	-	25,851,518.00	23,936,856.00
TOTAL IX	83,690,092.00	-	83,690,092.00	43,597,289.74
X - UNUSUAL INCOME (VIII - IX)	(59,753,236.00)	-	(59,753,236.00)	(20,311,223.08)
XI - PRETAX INCOME (VII + X)	1,000,927,649.13	-	1,000,927,649.13	945,187,251.43
XII - INCOME TAX	185,259,698.43	-	185,259,698.43	204,272,315.32
XIII - NET EARNINGS (XI - XII)	815,667,950.70	-	815,667,950.70	740,914,936.11
XIV - TOTAL REVENUES (I + IV + VIII)	4,819,471,448.18	-	4,819,471,448.18	5,536,713,875.81
XV - TOTAL EXPENSES (II + V + IX + XII)	4,003,803,497.48	-	4,003,803,497.48	4,795,798,939.70
XVI - NET PROFIT (Total revenues - total expenses)	815,667,950.70	-	815,667,950.70	740,914,936.11

STATEMENT OF MANAGEMENT'S BALANCES

I. SUMMARY OF RESULT FORMATION (TFR)			
		CURRENT YEAR	PREVIOUS YEAR
1	Sales		
2	- Sales purchase value		
I	GROSS MARGIN ON COMMERCIAL ACTIVITIES	-	-
II	+ PRODUCTION (3+4+5)	4,233,438,871.17	5,124,120,332.42
3	Sales of goods and produced services	4,233,438,871.17	5,124,120,332.42
4	Inventory variation	-	-
5	Self-constructed fixed asset		
III	- CONSUMPTION (6+7)	2,845,523,507.47	3,543,943,823.92
6	Cost of goods sold	2,670,745,511.55	3,389,353,253.45
7	Other external expenses	174,777,995.92	154,590,570.47
IV	= ADDED VALEUR (I+II-III)	1,387,915,363.70	1,580,176,508.50
8	+ Operating subsidy	-	-
9	- Taxes	23,486,012.51	23,603,361.16
10	- Payroll and Salaries	246,222,067.03	211,780,536.10
V	= OPERATING SURPLUS OR OPERATING DEFICIT	1,118,207,284.16	1,344,782,611.24
11	+ Other operation revenues	1,068,275.12	2,750,669.98
12	- Other operation expenses	3,500,000.00	-
13	+ Operating costs reductions ; operating expenses transfer	65,679,835.26	14,418,797.69
14	- Operating depreciations	401,413,464.34	609,887,884.41
VI	= OPERATING INCOME (+ ou -)	780,041,930.20	752,074,194.50
VII	+/- FINANCIAL INCOME (LOSS)	280,638,954.93	213,424,280.01
VIII	= USUAL INCOME (+ or -)	1,060,680,885.13	965,498,474.51
IX	+/- UNUSUAL INCOME (LOSS)	(59,753,236.00)	(20,311,223.08)
15	- Income tax	185,259,698.43	204,272,315.32
X	= Net earnings (LOSS) (+ or -)	815,667,950.70	740,914,936.11

II. SELF-FINANCING CAPACITY (SFC) – SELF-FINANCING			
1	Net result of current year		
=	* profit +	815,667,950.70	740,914,936.11
=	* Loss -	-	-
2	+ Operating depreciation	381,336,694.34	601,008,991.27
3	+ Financial depreciation	-	-
4	+ Unusual depreciation	25,851,518.00	23,936,856.00
5	- Operating costs reductions	-	-
6	- Financial costs reductions	-	-
7	- Unusual costs reductions	23,936,856.00	20,857,195.00
8	- Revenues from fixed assets sales	-	-
9	+ Net book values of sold fixed assets	-	-
I	= SELF-FINANCING CAPACITY (SFC)	1,198,919,307.04	1,345,003,588.38
10	- Distribution of dividends	849,187,512.00	943,541,680.00
I	= SELF-FINANCING	349,731,795.04	401,461,908.38

STATEMENT OF CASH FLOW

I. SUMMARY OF BALANCE SHEET TOTALS				
AGGREGATES	YEAR N	YEAR N-1	VARIATION A-B	
			USES C	SOURCES D
1 Long Term Liabilities	8,680,793,853.93	7,544,424,049.76	-	1,136,369,804.18
2 Long Term Assets	6,326,319,092.75	5,026,880,796.70	1,299,438,296.05	-
3 Working capital (1-2)	2,354,474,761.18	2,517,543,253.06	163,068,491.87	-
4 Current Assets	3,481,083,281.53	3,832,509,344.43	-	351,426,062.90
5 Current Liabilities	1,154,217,085.76	1,325,125,526.69	170,908,440.93	-
6 Net Current Assets (4-5)	2,326,866,195.77	2,507,383,817.74	-	180,517,621.87
7 Net Cash (3-6) A - B	27,808,565.41	10,159,435.32	17,449,130.10	-

II. USES AND SOURCES OF FUNDS				
	Current		Previous Period	
	uses	sources	uses	sources
I. LONG TERM SOURCES OF FUNDS FOR THE CURRENT YEAR				
SELF FINANCING (A)		349,731,795.04		401,461,908.38
* Self Financing Capacity		1,198,919,307.04		1,345,003,588.38
* Dividends distribution		849,187,512.00		943,541,680.00
TRANSFER AND REDUCTIONS OF LONG TERM ASSET (B)				
* Intangible assets transfer				
* Fixed assets disposal				
* Financial assets transfer				
* Long term assets recovery		401,277.90		646,343.37
INCREASE IN EQUITY (C)				
* Increase in share equity				
* Investment subsidy				
INCREASE IN FINANCIAL DEBTS (D)		4,235,000,000.00		
TOTAL I. (A+B+C+D)	4,585,133,072.95			402,108,251.75
II. LONG TERM USES OF FUNDS				
ACQUISITIONS AND ADDITIONS IN LONG TERM ASSETS (E)	1,596,260,999.06		75,892,395.14	
* Intangible asset additions	1,500,008,240.15		155,110.47	
* Fixed asset acquisitions	96,252,758.91		75,737,284.67	
* Financial and other assets acquisitions			-	
* Increase in other long term assets	-		-	
REIMBURSEMENT OF SHARE EQUITY (F)				
LOAN REPAYMENTS (G)	3,067,025,295.22		398,692,810.36	
INCREASE IN CAPITALIZED COSTS (H)	84,915,270.54		-	
TOTAL II. (E+F+G+H)	4,748,201,564.82		474,585,205.50	
III. NET CURRENT ASSETS VARIATION	-	180,517,621.97	-	67,727,608.32
IV. NET CASH VARIATION	17,449,130.10	-	-	4,749,345.43
TOTAL	4,765,650,694.92	4,765,650,694.92	474,585,205.50	474,585,205.50

COMPLEMENTARY INFORMATION STATEMENT AS OF DECEMBER 31, 2020.

A - ACCOUNTING PRINCIPLES AND METHODS

A.0/ General information on the activity

A.0.1 BACKGROUND

The power station at Jorf Lasfar is located on the Atlantic coast of Morocco, adjacent to the Port of Jorf Lasfar, in the province of El Jadida . This location is approximately 127 km south-west of Casablanca. Units 1 and 2 of the power station were constructed by GEC Alsthom for the Moroccan electricity company, L'Office National d'Electricité ("ONE"), and are now in commercial operation. Each of these existing Units is 330 MW, fired by coal.

In October of 1994, the ONE issued a public tender for international companies to expand the power station at Jorf Lasfar. In February of 1995, the ONE selected the "Consortium" of ABB Energy Ventures and CMS Generation as the preferred bidder and exclusive partner for negotiation.

In April of 1996, the Consortium and the ONE reached agreement in principal, and initiated the necessary Project Agreements.

A.0.2 ESTABLISHMENT

In order to officially conclude and implement these Project Agreements, the consortium established the Jorf Lasfar Energy Company (the "Company" or "JLEC") on January 20, 1997. The Company was established as a limited partnership ("société en commandite par actions") in accordance with the laws of the Kingdom of Morocco, with Commercial Registration Number 2145, Fiscal Identification Number 1021595, and Patentee Number 42161753.

In accordance with its charter documents, the company's objective and purpose is to construct, operate, manage and maintain the power station at Jorf Lasfar, including the development, financing, engineering design, construction, commissioning, testing, operation and maintenance of two (2) new coal-fired Units, which will be very similar in size and technology to the existing Units. In order to secure its fuel supply, the Company will also expand, operate and maintain the coal-unloading pier in the Port of Jorf Lasfar. For these activities, the Company received a "right of possession" ("droit de jouissance") for the site, the existing units, the new units, the coal-unloading pier.

A.0.3 DEVELOPMENT STAGE ACTIVITIES

On September 12, 1997, all Project Agreements were signed, the Company Loan Agreement was executed and the first disbursement of the Company Loan was used to pay the TPA fee to ONE. As a consequence, JLEC received possession of the power station at Jorf Lasfar on September 13, 1997, and began to sell its available capacity and net generation to ONE, in accordance with the Power Purchase Agreement.

The remaining requirements for project financing have been completed in November of 1997.

A.0.4 CONSTRUCTION PERIOD OF UNITS 3 & 4

Units 3 and 4 entered into operation respectively on June 10, 2000 (33 months starting from financial closing date) and February 03, 2001 (40 months starting from financial closing date).

A.0.5 ACQUISITION OF JLEC BY TAQA

On May 2, 2007, Abu Dhabi National Energy Company ("TAQA") (1) purchased CMS Generation, a subsidiary of CMS Energy, that at the time of the acquisition, owned and controlled (ii) Jorf Lasfar Energiaktiebolag, (iii) Jorf Lasfar Power Energy AB and (iii) Jorf Lasfar Handelsbolag and (2) acquired from ABB group (i) Tre Kronor Investment AB, (ii) AB Cythere 61 and (iii) AB Cythere 63. As a result of these acquisitions, JLEC became an indirect wholly-owned subsidiary of TAQA.

A.0.6 REFINANCING ACTIVITY

In February 2009, JLEC prepaid and discharged in full all loans and other obligations in connection with its original secured credit facilities from 1997 with the proceeds of three related party loans disbursed to the Company by TAQA Generation Investment Company IV ("TGIC IV") during January and February 2009.

During 2009, JLEC entered into a secured credit facility with a consortium of Moroccan banks providing credit availability of up to MAD 7.4 billion with an 18-year term. In April 2009, JLEC borrowed MAD 4.0 billion under the term loan facility, the proceeds of which were used by the Company to (1) repay in full all outstanding loan principal and accrued interest due under the Company Loan Agreement, and (2) partially prepay outstanding subordinated debt provided by TGIC IV.

In March 2010, JLEC borrowed an additional MAD 3.0 billion under the term loan facility, the proceeds of which were used by the Company to (1) repay in full all outstanding principal and accrued interest due under subordinated Euro and USD loans provided by TGIC IV, and (2) partially prepay principal and accrued interest due under subordinated MAD loans provided by TGIC IV. In July 2012, JLEC completed the final repayment of the remaining subordinated MAD loan from TGIC IV.

A.0.7 ESTABLISHMENT OF THE SUBSIDIARY JORF LASFAR ENERGY COMPANY 5&6 (JLEC 5&6)

On December 22, 2010, Jorf Lasfar Energy Company 5&6 ("JLEC 5&6") has been created for the purpose of implementing two new units of a gross capacity of 350 MW each ("Units 5 & 6"). Further to this implementation, the installed capacity of the power station at Jorf Lasfar is higher than 2000 MW. As of December 31, 2014, TAQA Morocco owns 66% of the shares of JLEC 5&6.

Units 5&6 were entered commercial operations respectively on April 15, 2014 and June 7, 2014.

A.0.8 PRIVATE PLACEMENT AND STOCK EXCHANGE LISTING

In December 2013, JLEC completed two capital increases through a private placement and an initial public offering ("IPO") and listing of its shares on the Casablanca Stock Exchange. JLEC issued a total of 3,351,956 new common shares (representing an aggregate 14.21% ownership interest in the Company) at an issuance price of MAD 447.50 per share, for MAD 1.5 billion of total gross proceeds. The JLEC IPO was executed with the selling of shares representing a 9.47% aggregate ownership interest on the open market and a 4.74% aggregate ownership interest placed privately with certain Moroccan institutional investors (RMA Watanya, SCR and MCMA).

Following the completion of the IPO and listing of JLEC's shares on the Casablanca Stock Exchange, on December 26, 2013, TAQA purchased all of the shares of JLEC previously held by various TAQA subsidiaries. TAQA purchased the JLEC shares through block transactions concluded at the IPO price of MAD 447.50 per share. Following the completion of these block share sales, JLEC became a direct subsidiary of TAQA, with TAQA holding a direct 85.79% controlling majority ownership in JLEC%, with the remaining 14.21% interest being held by institutional and individual investors.

6 CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

A.0.9 CHANGE OF THE NAME OF THE COMPANY AND EXTENSION OF ITS PURPOSE

The Extraordinary General Assembly held on October 13, 2014, has decided to change the name of the Company «Jorf Lasfar Energy Company» and adopt the name «TAQA Morocco», and to extend its corporate purpose to the following activity : the achievement, directly or indirectly, of any development project, both in Morocco and abroad, in the fields of electricity production from any source including coal, gas and renewables, and water production.

A.0.10 PPA EXTENSION OF UNITS 1 TO 4

ONEE and TAQA Morocco signed, on January 24th, 2020, the extension of the Power Purchase Agreement (PPA) for Units 1 to 4, allowing the alignment of the two PPAs 1 to 4 and 5 & 6 to 2044.

A.0.11 BOND BY PRIVATE PLACEMENT ISSUED

TAQA Morocco has issued on September 7th, 2020 a bond by private placement with qualified investors for DH 2.7 billion, with a maturity of 18 years, repayable semi-annually, at the rate of 3.75% per annum.

At the same time, the senior debt issued in 2009 was subject to early repayment for DH 2.7 billion on September 22, 2020.

A.1 Summary of Significant Accounting Principles

A.1.1 GENERALITIES

The accounting and reporting policies of the Company are in accordance with the Generally Accepted Accounting Principales of Morocco, which are called "Code General de Normalisation Comptable" or "CGNC".

During the Company's development stage (until Financial Closing), all expenses have been paid by related Parties (ABB and CMS). When the project achieves Financial Closing, all the accumulated expenditures of these related Parties have been invoiced to the Company, and immediately paid by the Company to these related Parties.

A.1.2 CAPITALIZED COSTS

- Preliminary fees

The company capitalizes its pre-opening costs at Financial Closing. After Financial Closing such capitalized costs are amortized on a straight-line basis within a period of (5) year. Such pre-opening costs include the legal and administrative costs incurred to incorporate the Company, and certain expenses incurred to prepare the Company for commercial operation.

- Deferred expenditures

All the major outages are executed every 8 years for each unit,

according to a pre-established major outage plan. The major outage expenditures are considered as deferred expenses and are amortized over 5 years.

All the minor outages are executed every 3 years for each unit, according to a pre-established major outage plan. The minor outage expenditures are considered as deferred expenses and are amortized over 5 years.

A.1.3 INTANGIBLE ASSETS

- Financing cost

Costs incurred to obtain financing were capitalized, and then such costs were amortized as a financial cost over a five year period. The periodic amortization of such costs is noted in the operating depreciation in accordance with CGNC.

- Other Project Development Costs

At Financial Closing, the Company also capitalized certain other costs paid by Related Parties during the development stage as an Intangible Asset. These capitalized costs are allocated during the entire period of the concession, which is 30 years from the financial closing date.

- Initial Right of possession

In accordance with the Transfer of Possession Agreement (TPA) and in counter part of the payment of the TPA fee, "ONE" transfers to JLEC its "right of possession" of the units 1&2. This "right of possession" is capitalized as an Intangible Asset, and amortized over the period of concession (until April 15th, 2044.)

- Complementary Right of Possession related to Units 3 and 4
As indicated in A.0.4 above, JLEC has completed the construction of Units 3&4 respectively after a period of 33 months and 40 months starting on financial closing date as well other investments related to the plant. During the period of construction, the total cost of construction that includes capitalized interest, have been accounted for as a Fixed Asset in Progress. From the commercial operation date of Unit 4, on February 02, 2001, the "right of possession" has been extended to the new Units (3&4), and the corresponding Intangible Asset are amortized over the remaining period of concession (until April 15th, 2044.)

- Additional Right of Possession related to the PPA extension of Units 1-4

ONEE and TAQA Morocco signed, on January 24th, 2020, the extension of the Power Purchase Agreement (PPA) for Units 1 to 4, allowing the alignment of the two PPAs 1 to 4 and 5 & 6 to 2044. In this context, TAQA Morocco has paid the additional right of use for an amount of DH 1.5 billion which was capitalized as an intangible asset and amortized over the duration of the concession (until April 15th, 2044).

A.1.4 FIXED ASSETS

This account includes all Fixed Assets for which the estimated

life duration is less than the concession period. They are recorded at their acquisition costs or production costs. Their depreciations are calculated on a straight-line basis based on the applicable tax rates.

A.1.5 INVENTORIES

The inventories are accounted for at their initial cost. Such cost will include the initial prices and any other accessory costs. At the end of the fiscal year, the inventories are evaluated according to the weighted average cost, except for spare parts inventory by applying the First In First Out (FIFO) Method.

A.1.6 FOREIGN CURRENCY TRANSACTION

Receivables and debts in foreign currencies are accounted at the exchange rate prevailing on the date of the transaction. These receivable and debts are converted at the balance sheet closing exchange rate and readjusted in the asset/liability short term exchange of fluctuation.

The unrealized exchange loss are recorded into the income statement through the financial provisions.

The unrealized gains are not recorded in the income statement.

A.2 Exceptional Statement

A.2.1 EXCEPTIONS TO THE FUNDAMENTAL ACCOUNTING PRINCIPLES

Nothing

A.2.2 EXCEPTIONS TO THE EVALUATION METHODS

Nothing

A.2.3 EXCEPTIONS TO FINANCIAL STATEMENTS PRESENTATION'S RULES

Exchange gains and loss from the accounting of the coal purchases and the US Dollars subsequent payments once converted to Moroccan Dirham at the exchange rate of the transaction date, are recorded in a sub-account of "Coal purchase" called "US Dollars difference in coal purchase" as operating expenses. This special treatment, without any impact on the Equity of the company and its financial situation, is justified by the fact that these differences are related to the accounting rules and do not correspond to exchange gains or loss driven from the conversion from Moroccan Dirhams to US Dollars.

A.3 Changes in Method Statement

A.3.1 CHANGES AFFECTING THE EVALUATION METHODS

Nothing

A.3.2 CHANGES AFFECTING THE PRESENTATION RULES

Nothing

APPENDIX B-1 - PRE OPENING COSTS STATEMENT

Moroccan Dirhams		From January 2020 to December 2020	
PRINCIPAL ACCOUNT	DESCRIPTION	AMOUNT AS OF December 31, 2020	
2128200000	Minor and major revisions	462,448,975.32	
		462,448,975.32	
2812820000	Minor and major revisions	221,316,436.71	
		221,316,436.71	
TOTAL		241,132,538.61	

APPENDIX B-2 - SUMMARY OF FIXED ASSETS (GROSS)

Moroccan Dirhams		From January 2020 to December 2020						
Description	Gross value Beginning balance	INCREASES			DECREASES			Gross value endings balance
		Acquisition	Self Production	Transfer	Disposals	Reduction	Transfer	
CAPITALIZED COSTS	460,872,897.84	84,915,270.54	0.00	46,159,122.53	0.00	129,498,315.59	0.00	462,448,975.32
* Pre - Opening	-	-	-	-	-	-	-	-
* Deferred Expenses	460,872,897.84	84,915,270.54	-	46,159,122.53	-	129,498,315.59	-	462,448,975.32
* Bonds premiums	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS	11,888,239,131.67	1,500,008,240.15	0.00	14,416,018.16	0.00	0.00	0.00	13,402,663,389.98
* Research and development	-	-	-	-	-	-	-	-
* Right, License, similar values	11,100,903,992.37	1,500,008,240.15	-	14,416,018.16	-	-	-	12,615,328,250.68
* Goodwill	-	-	-	-	-	-	-	-
* Other intangible assets	787,335,139.30	-	-	-	-	-	-	787,335,139.30
FIXED ASSET	938,403,920.65	96,252,758.91	0.00	52,321,227.90	0.00	0.00	112,896,368.59	974,081,537.56
* Land	-	-	-	-	-	-	-	-
* Constructions	2,315,185.87	-	-	7,074,362.24	-	-	-	9,389,548.11
* Technical installation, equipment	571,805,739.82	6,317,259.98	-	44,194,160.85	-	-	-	622,317,160.65
* Vehicles	2,214,265.53	-	-	-	-	-	-	2,214,265.53
* Office furniture	283,971,438.84	1,539,081.45	-	1,052,704.81	-	-	-	286,563,225.10
* Other fixed assets	313,970.50	-	-	-	-	-	-	313,970.50
* Fixed assets in progress	77,783,320.09	88,396,417.48	-	-	-	-	112,896,368.59	53,283,367.67

APPENDIX B-2 BIS - SUMMARY OF DEPRECIATIONS

Moroccan Dirhams				
DESCRIPTION	From January 2020 to December 2020			
	Cumulated Beginning Balance 1	Current Year Depreciation 2	Cumulated Adjustments 3	Cumulated Depreciation Ending Balance 4=1+2-3
CAPITALIZED COSTS	232,425,294.13	118,389,458.17	129,498,315.59	221,316,436.71
* Pre - Opening	-	-	-	-
* Deferred Expenses	232,425,294.13	118,389,458.17	129,498,315.59	221,316,436.71
* Bonds premiums	-	-	-	-
INTANGIBLE ASSETS	8,590,769,715.22	203,861,562.23	0.00	8,794,631,277.45
* Research asset and development	-	-	-	-
* Right, License, similar values	7,980,180,756.48	196,573,059.94	-	8,176,753,816.42
* Goodwill	-	-	-	-
* Other intangible assets	610,588,958.74	7,288,502.29	-	617,877,461.03
FIXED ASSET	638,518,858.14	59,085,673.94	0.00	697,604,532.08
* Land	-	-	-	-
* Constructions	754,309.30	775,119.26	-	1,529,428.56
* Technical installation, equipment	432,715,309.21	39,368,485.55	-	472,083,794.76
* Vehicles	2,136,376.62	40,666.66	-	2,177,043.28
* Office furniture	202,598,892.51	18,901,402.47	-	221,500,294.98
* Other fixed assets	313,970.50	-	-	313,970.50
TOTAL	9,461,713,867.49	381,336,694.34	129,498,315.59	9,713,552,246.24

APPENDIX B-3 - SUMMARY OF ASSET DISPOSAL

Moroccan Dirhams							
From January 2020 to December 2020							
Date of disposal or retirement	Principal Account	Gross Amount	Cumulated Depreciations	Net Book Value	Sale Value	Capital gains	Capital losses
31-dec-2020	2128200000	129,498,315.59	129,498,315.59	0.00	0.00	0.00	0.00
TOTAL		129,498,315.59	129,498,315.59	0.00	0.00	0.00	0.00

APPENDIX B-4 - SUMMARY OF INVESTMENTS

Moroccan Dirhams									
From January 2020 to December 2020									
Company Name	Activity Sector 1	Share Capital 2	% of detention 3	Acquisition Price 4	Net Book Value 5	Extract from the last statement reports of the company			Revenues 9
						Closing date 6	Net Equity 7	Net income 8	
JORF LASFAR ENERGY COMPANY 5&6 «JLEC 5&6»	ENERGIE ELECTRIQUE	1,818,200,000	66%	1,199,999,600.00	1,199,999,600.00	30-sept-20	3,869,424,026.09	740,866,450.62	461,995,264.55
TOTAL				1,199,999,600.00	1,199,999,600.00		3,869,424,026.09	740,866,450.62	

APPENDIX B-5 - SUMMARY OF PROVISIONS AND RESERVES

Moroccan Dirhams								
From January 2020 to December 2020								
DESCRIPTION	Beginning Balance	Current year provisions			Provisions deductions			Amount ending balance
		Operating	financial	Unusual	Operating	financial	Unusual	
1. Long term assets provisions								
2. Regulated Reserves								
3. Long term reserves for risks	23,936,856.00			25,851,518.00			23,936,856.00	25,851,518.00
SUB-TOTAL (A)	23,936,856.00	-	-	25,851,518.00	-	-	23,936,856.00	25,851,518.00
4. Current assets provisions	8,878,893.14	20,076,770.00			8,878,893.14			20,076,770.00
5. Other risk provisions	2,638,182.44		-	29,678,250.00		-	-	32,316,432.44
6. Financial provisions	-							-
SUB-TOTAL (B)	11,517,075.58	20,076,770.00	0.00	29,678,250.00	8,878,893.14	0.00	-	52,393,202.44
TOTAL (A+B)	35,453,931.58	20,076,770.00	0.00	55,529,768.00	8,878,893.14	0.00	23,936,856.00	78,244,720.44

APPENDIX B-6 - SUMMARY OF RECEIVABLES AND DEBTORS

Moroccan Dirhams								
From January 2020 to December 2020								
RECEIVABLES	TOTAL AS OF 31.12.2020	RECEIVABLES ANALYSES			OTHER ANALYSES			
		> 1 year	< 1 year	unrecovered	foreign currency balance	State receivables	Affiliated corporate receivables	Bills of exchange
LONG TERM RECEIVABLES	677,836.13	526,606.80	151,229.33				-	
- Loans	228,373.27	77,143.94	151,229.33					
- Other financial assets	449,462.86	449,462.86						
CURRENT ASSETS	1,609,331,778.63	461,427,535.35	1,147,904,243.28		1,997,595.14	502,707,045.87	464,247,218.67	
- Advances to suppliers	10,024,832.66		10,024,832.66		1,490,770.58	6,743,261.48	-	
- Trade receivables	638,399,976.87	1,736,358.98	636,663,617.89		506,824.56		2,251,954.12	
- Employee	1,859,195.52		1,859,195.52					
- State	495,963,784.39	459,691,176.37	36,272,608.02			495,963,784.39		
- Partners current accounts			-				-	
- Other debtors	461,995,264.55		461,995,264.55				461,995,264.55	
- Accruals accounts - Assets	1,088,724.64		1,088,724.64		-			

6 CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

APPENDIX B-7 - SUMMARY OF LIABILITIES

Moroccan Dirhams								
From January 2020 to December 2020								
LIABILITIES	TOTALS AS OF 31.12.2020	ANALYSIS BY MATURITY			OTHER ANALYSIS			
		> 1 year	< 1 year	Outstanding and unrecovered	Foreign Currency	State receivables	Affiliated corporate receivables	Bills of exchange
LONG TERM FINANCIAL DEBTS	4,058,497,579.70	3,806,104,771.15	252,392,808.55	-	-	-	-	-
- Bonds issues	2,624,999,940.00	2,474,999,820.00	150,000,120.00					
- Other financial debts	1,433,497,639.70	1,331,104,951.15	102,392,688.55		-		-	
CURRENT	1,116,021,733.50	491,301,185.02	624,720,548.48		295,781,890.79	98,889,594.77	38,159,739.04	
- Trade payables	449,315,665.65	7,041,256.19	442,274,409.46		295,781,890.79		38,158,041.85	
- Advances from customers	12,950,372.90		12,950,372.90					
- Employee	45,829,197.52		45,829,197.52					
- Social security	11,566,215.58		11,566,215.58			11,566,215.58		
- State	87,323,379.19		87,323,379.19			87,323,379.19		
- Partners current accounts	1,697.19		1,697.19				1,697.19	
- Other creditors	484,259,928.83	484,259,928.83						
- Accruals accounts - Liabilities	24,775,276.64		24,775,276.64					

APPENDIX B-8 - SUMMARY OF «ESTATE GUARANTEES» GIVEN OR RECEIVED

Moroccan Dirhams					
From January 2020 to December 2020					
CREDITORS/DEBTORS	Amount covered by guarantee	Nature (1)	Date and registration location	Purpose (2)(3)	Net booking value of the Guarantee as of December 31, 2016
- Given guarantees					
- Received guarantees	228,373.27	Mortgage		Employee Mortgage Loan	

APPENDIX B-9 - FINANCIAL COMMITMENTS OTHER THAN LEASING OPERATINGS

Moroccan Dirhams		
From January 2020 to December 2020		
GIVEN COMMITMENTS	Current year Amounts	Previous year Amounts
Avalize and guarantee		
Assignment of receivables of November 2020	-	428,018,552.44
Assignment of receivables act of December 2020	-	484,474,609.68
Importation Temporary		
ALSTOM France	26,789.00	26,789.00
CENTRACOM	4,650.00	4,650.00
LAMBLIN Voies Ferrées	557,393.01	133,688.00
Exportation Temporary		
URS (38,890.00 MAD)	156,546.71	38,890.00
FERBECK & FURMITHERM (43,028 EUR)	470,881.22	208,712.00
ALSTOM France (80,750 EURO)	883,695.70	273,006.00
ALSTOM POWER SERVICE (5,000 EUR)	54,718.00	35,313.00
SCOTT USA (1,350 USD)	14,773.86	6,557.00
ABB SECHERON SA (1,500 CHF)	15,120.00	4,752.00
ABB SECHERON SA (1,460 CHF)	14,716.80	8,622.00
ABB SECHERON SA (2,090 CHF)	21,067.20	9,628.00
ABB SECHERON SA (34,600 CHF)	348,768.00	77,021.00
Kema 2,000 EURO	21,887.20	6,648.00
Paul boman (250 USD)	2,229.38	663.00
TOTAL Including commitment to affiliates	2,593,236.07	913,328,101.12

APPENDIX B-9 - FINANCIAL COMMITMENTS OTHER THAN LEASING OPERATINGS

Moroccan Dirhams		
From January 2020 to December 2020		
RECEIVED COMMITMENTS	Current year	Previous year
- Endorsement and Guarantee		
JERA (USD 2,000,000.00)	-	19,194,000.00
SUEK (USD 2,000,000.00)	-	19,194,000.00
SUEK (USD 2,000,000.00)	-	19,194,000.00
SUEK (USD 2,000,000.00)	-	19,194,000.00
GLENCORE (USD 2,000,000.00)	17,835,000.00	-
SUEK (USD 2,000,000.00)	17,835,000.00	-
Votol (USD 2,000,000.00)	17,835,000.00	-
Convention de sequestre ONEE (Lettre de credit)	425,000,000.00	425,000,000.00
AFRIQUIA (Attijari wafa bank)	339,820.20	339,820.20
AFRIQUIA (BP)	559,812.60	559,812.60
SMAC STE	134,068.70	134,068.70
STOKVIS NORD-AFRIQUE	192,000.00	192,000.00
SOMARAIL (20,655 EUR) Credit du Nord	226,040.06	237,532.50
Atlas copco	304,091.00	304,091.00
SOMAGEC	6,619,460.12	6,619,460.12
SCHNEIDER ELECTRIC IT	165,120.00	165,120.00
OSS	128,802.00	128,802.00
SCHNEIDER ELECTRIC IT	82,560.00	82,560.00
SCHNEIDER ELECTRIC IT	320,760.00	320,760.00
SCHNEIDER ELECTRIC IT	641,520.00	641,520.00
SCHNEIDER ELECTRIC MAROC	321,600.00	
GE MIDDLE EAST FZST (66,924.99 USD)	596,803.60	
AAF S.A (4,292.00 EUR)	46,969.93	
CBI	254,887.08	
TECHNI DISPO	50,850.60	
SULZE MAROC	83,850.84	
- Other commitments received		
TOTAL	489,574,016.73	511,501,547.12

APPENDIX B-10 - SUMMARY OF LEASING CONTRACTS

From January 2020 to December 2020										
Designation 1	first maturity Date 2	Length of contract 3	Estimated value at contract date 4	Theoretical depreciation period 5	Cumulated leasing expenses 6	yearly leasing expenses 7	Remaining balance		End of contract residual price 10	Comments 11
							< 1 year 8	> 1 year 9		
1	25/07/2018	120	24,208,333.33	10 years	3,508,376.57	3,001,259.16	3,001,259.16	22,509,443.70	2,420,833.35	New head office

APPENDIX B-11 - INCOME STATEMENT DETAILS

From January 2020 to December 2020

Account		Current Year	Previous Year
611	OPERATING EXPENSES COST OF SALES (COMMERCIAL)		
	- Purchases		
	- Inventory variation (+/-)		
	Total	0.00	0.00
612	Cost of sales (production)		
	- Raw material purchases	2,245,242,767.70	3,095,944,246.78
	- Raw material inventory variation	140,697,952.96	92,128,488.49
	- Consumables	158,500,648.01	100,004,335.56
	- Consumables inventory variation (+/-)	(30,747,150.91)	(49,248,621.15)
	- Non stored purchased raw and equipments	48,991,466.11	49,952,545.92
	- Services and surveys	108,059,827.68	100,572,257.85
	Total	2,670,745,511.55	3,389,353,253.45
613/ 614	OTHER EXTERNAL EXPENSES		
	- Rentals	5,650,510.77	4,011,123.41
	- Leasing	3,077,515.42	2,504,596.73
	- Repairs and maintenance	57,427,271.49	38,186,098.98
	- Insurance	35,148,423.39	28,460,947.21
	- Remuneration of external labor to the company	18,202,433.98	14,471,554.01
	- fees and commissions	38,297,780.41	44,467,563.52
	- Royalties, rights...	0.00	0.00
	- Research and documentation	359,176.22	427,092.17
	- transportation	4,339,604.58	3,759,660.04
	- travel, assignments and reception	1,268,420.77	2,118,163.93
	- Other external expenses	11,006,858.89	16,183,770.47
	Total	174,777,995.92	154,590,570.47
616	TAXES	23,486,012.51	23,603,361.16
617	PAYROLL EXPENSES		
	- Remunerations	200,761,401.88	177,727,982.27
	- Social Charges	45,460,665.15	34,052,553.83
	Total	246,222,067.03	211,780,536.10
618	OTHER OPERATING EXPENSES		
	- Attendance fees	3,500,000.00	
	- Losses in unrecoverable assets		
	- Other		
	Total	3,500,000.00	0.00
638	FINANCIAL EXPENSES OTHER FINANCIAL EXPENSES		
	- Net investment sales costs		
	- Other		
	Total	0.00	0.00
658	UNUSUAL EXPENSES Other unusual expenses		
	- Penalties on contracts		
	- Taxes adjustments		
	- Tax penalties	-	-
	- Unrecoverable assets	-	-
	- Other	57,838,574.00	19,660,433.74
	Total	57,838,574.00	19,660,433.74

APPENDIX B-12 - TAXABLE INCOME CALCULATION

From January 2020 to December 2020

	DESCRIPTION	Amount T1	Amount T2
I	NET RESULT (Accounting)		
	- Net profit	815,667,950.70	
	- Net Loss		
II	TAX ADDITIONS	270,881,039.54	
	1. Current		
	- Unrealized gain as of December 31, 2020	5,878,919.82	
	- non deductible depreciation	437,875.00	
	2. Non current		
	- Post employment Obligation Provision as of December 31, 2020	25,851,518.00	
	- Non deductible amortization	7,288,502.29	
	- Social Solidarity Contribution (CSS)	16,486,276.00	
	- Other non-current charges	29,678,250.00	
	- Current income taxes	185,259,698.43	

APPENDIX B-11 - INCOME STATEMENT DETAILS (Continued)

From January 2020 to December 2020

Account		Current Year	Previous Year
711	OPERATING REVENUES SALES OF MARCHANDISES		
	- Domestic		
	- Export		
	- Other		
	Total	0.00	0.00
712	Sales of produced goods and services		
	- Sales of produced goods Export		
	- Sales of produced goods Domestic	4,233,438,871.17	5,124,120,332.42
	- Sales of services Export		
	- Sales of services Domestic		
	- Royalties, Rights,		
	- Other		
	Total	4,233,438,871.17	5,124,120,332.42
713	INVENTORIES VARIATIONS		
	- Inventories variations production (+/-)		
	- Inventories variations services (+/-)		
	- Inventories variations production in progress (+/-)		
	Total	0.00	0.00
718	Other operating revenues		
	- Attendance fees received		
	- Other	1,068,275.12	2,750,669.98
	Total	1,068,275.12	2,750,669.98
719	Costs transfers, Provisions reductions		
	- Reductions	8,878,893.14	14,418,797.69
	- Costs transfers	56,800,942.12	
	Total	65,679,835.26	14,418,797.69
738	FINANCIAL REVENUES Interests and other financial revenues		
	- Interests and proceeds	921,522.57	2,827,321.79
	- Revenues from affiliated companies		
	- Net proceeds from fixed assets disposal	31,182,778.93	32,821,882.59
	- Others		
	Total	32,104,301.50	35,649,204.38

APPENDIX B-12 - TAXABLE INCOME CALCULATION (Continued)

From January 2020 to December 2020

	DESCRIPTION	Amount T1	Amount T2
IV	FISCAL DEDUCTIONS		488,485,446.93
	1. Current		
	Unrealized gain as of December 31, 2019		2,553,326.38
	2. Non current		
	Reversal of the Post employment Obligation Provision as of December 31, 2019		23,936,856.00
	Dividends		461,995,264.55
	Total	1,086,548,990.24	488,485,446.93
V	GROSS FISCAL RESULT		
	Gross profit if T1 > T2 (A)	598,063,543.31	
	Gross fiscal deficit if T2 > T1 (B)		
	CARRIED DEFICIT TO BE CHARGED (C)(1)		
	year n-4		
	year n-3		
	year n-2		
	year n-1		
VI	NET FISCAL result		
	Net fiscal profit (A-C)		598,063,543.31
	or net fiscal deficit (B)		
VII	CUMULATED DEFERRED DEPRECIATIONS		
VIII	CARRIED FORWARD TAX DEFICITS		
	year n-4		
	year n-3		
	year n-2		
	year n-1		
	year n		

(1) within the limit of the gross fiscal profit amount (A)

CONSOLIDATED AND STATUTORY ACCOUNTS

AS OF DECEMBER 31, 2020

APPENDIX B-13 - CALCULATION OF NET OPERATING INCOME (AFTER TAXES)

From January 2020 to December 2020

I. INCOME CALCULATION		AMOUNT
- Operating Income (I/S)	(+/-)	1,060,680,885.13
- Tax operating additions	(+)	6,316,794.82
- Tax operating deductions	(-)	(2,553,326.38)
- THEORETICAL TAXABLE OPERATING INCOME	(=)	1,064,444,353.57
- Theoretical tax	(-)	329,837,749.61
- Net operating income	(=)	730,843,135.52

II. SUMMARY OF TAX REGULATIONS AND SPECIFIC TAX ADVANTAGES

- Application of the Regime of the code of Investments. - Exoneration of the IS during first five years of exploitation, 50% thereafter.
(Confers Convention JLEC/STATE in fiscal matter for supplement of information)

APPENDIX B-14 - DETAIL OF V.A.T

From January 2020 to December 2020

Designation	Current year Initial balance 1	Current year Transactions 2	Current year V.A.T declaration 3	Current year final balance (1+2-3=4)
A. Invoiced V.A.T	112,208,476.93	595,916,031.21	630,034,631.00	78,089,877.14
B. Recoverable V.A.T	18,300,189.37	572,480,398.35	573,323,080.27	17,457,507.45
* On Expenses	18,260,528.31	567,314,729.34	568,517,180.22	17,058,077.43
* On Immobilizations	39,661.06	5,165,669.01	4,805,900.05	399,430.02
C. V.A.T payable or V.A.T credit	93,908,287.56	23,435,632.86	56,711,550.73	60,632,369.69

B-15- CONTINGENT LIABILITIES

- The company's Income Tax (I.S), payroll (I.G.R) and V.A.T for fiscal years
- 2017 to 2020 are open to audit by the Moroccan Tax Authorities.

APPENDIX C-1 - SHARE CAPITAL ALLOCATION

From January 2020 to December 2020

Capital amount: 2 358 854 200 DH

Name or corporate names of principals shareholders 1	Address 2	Number of shares		Nominal Value of each share 5	Capital amount		
		Previous Period 3	Current Period 4		Subscribed 6	Called Up 7	Paid Up 8
ABU DHABI NATIONAL ENERGY COMPANY (TAQA)	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis ID Number : CN-1003072	20,236,583	20,236,583	100.00	2,023,658,300	2,023,658,300	2,023,658,300
ABDULAZIZ ABDULRAHMAN AL-HEMAIDI	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis ID Number : FC4121380	1	1	100.00	100	100	100
AL DHAHERI SAEED HAMAD	SOWWAH SQUARE - AL MAQAM TOWER - 25th FLOOR - AL MARYAH ISLAND - ABU DHABI-EMIRATS ARABESB UNIS Passeport n° K 180 63 449	1	1	100.00	100	100	100
AL AHBABI MOHAMMED ABDULLA FALAH JABER	SOWWAH SQUARE - AL MAQAM TOWER - 25th FLOOR - AL MARYAH ISLAND - ABU DHABI-EMIRATS ARABESB UNIS Passeport n° GYKF 54368	1	1	100.00	100	100	100
Khalid Al Sayari	Al Maria Island, Level 23,24,25 AL Maqam Tower - ABU DHABI, UNITED ARAB EMIRATES	1	-	100.00	-	-	-
KHALEEFA ALI MOHAMED ABDULLA ALQAMZI	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis Passeport n° RY8R690603ARE		1	100.00	100	100	100
GAMBHIR VIVEK	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis Passeport n° 5113775760GBR		1	100.00	100	100	100
Hamad Abdulla Mohamed Alshorafa Al Hammadi	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis		1	100.00	100	100	100
Abdulaziz Mohamed Abdulla Alobaidli Al hammadi	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23,24,25 AL Maqam Tower - Abu Dhabi, Emirats Arabes Unis		1	100.00	100	100	100
RMA WATANYA	Avenue des FAR - Casablanca - MAROC	446,927	446,927	100.00	44,692,700	44,692,700	44,692,700
SCR	Tour ATLAS - Place Zellaqa - Casablanca - MAROC	446,927	446,927	100.00	44,692,700	44,692,700	44,692,700
MCMA	Rue Abou Inane - Rabat - MAROC	223,464	223,464	100.00	22,346,400	22,346,400	22,346,400
Public		2,234,637	2 234 634	100.00	223,463,400	223,463,400	223,463,400
		23,588,542	23,588,542		2,358,854,200	2,358,854,200	2,358,854,200

APPENDIX C-2 - STATEMENT OF NET RESULT ALLOCATION

From January 2020 to December 2020

	AMOUNT		AMOUNT
A. Origin of allocated results		B. Allocated results	
- Retained earning	129,505,051.42	- Legal reserve	21,232,475.53
- Income / Loss to be allocated	740,914,936.11	- Other reserve	
- Net result		- Percentage of profit	
- Deductions from reserves		- Dividends	849,187,512.00
- Other deductions		- Other profit allocation	
		- Retained earnings	
TOTAL A	870,419,987.53	TOTAL B	870,419,987.53

Total A = Total B

APPENDIX C-3 - LAST THREE YEARS RESULTS

INDICATIONS	From January 2020 to December 2020		
	Year N-2 From 01/01/2018 to 12/31/2018	Year N-1 From 01/01/2019 to 12/31/2019	Year N From 01/01/2020 to 12/31/2020
NET SHAREHOLDERS EQUITY			
Shareholders equity plus assimilated equity minus capitalized cost	4,630,821,150.12	4,401,516,713.82	4,355,312,217.62
TRANSACTION AND RESULTS OF THE CURRENT YEAR			
1. Revenues	4,617,330,842.70	5,124,120,332.42	4,233,438,871.17
2. Pretax result	1,024,478,626.11	945,187,251.43	1,000,927,649.13
3. Corporate Tax	197,146,361.93	204,272,315.32	185,259,698.43
4. Dividends and related revenues distributed	943,541,680	943,541,680.00	849,187,512
5. Non distributed results (revenues to be allocated)			
RESULT PER SHARE			
Earning per share	35.07	31.41	34.58
Dividend per share	40.00	40.00	36.00
PERSONNEL			
Current year gross salary amount	169,148,844.39	177,727,982.27	200,761,401.88
Average staff employed during the current year	320	337	332.00

APPENDIX C-4 - SUMMARY OF FOREIGN CURRENCIES TRANSACTIONS BOOKED DURING THE CURRENT YEAR

DESIGNATION	From January 2020 to December 2020	
	Inflow dirham equivalent	Outflow dirham equivalent
- Permanent financing	0.00	
- Gross fixed assets		10,578,190.23
- Fixed Assets Disposals	0.00	
- Loan repayment		0.00
- Proceeds	902,334.76	
- Expenses		2,186,009,496.69
TOTAL INFLOWS	902,334.76	
TOTAL OUTFLOWS		2,196,587,686.92
BALANCE IN FOREIGN CURRENCIES	2,195,685,352.16	
TOTAL	2,196,587,686.92	2,196,587,686.92

APPENDIX C-5 - FIXED DATE AND LATER EVENTS

From January 2020 to December 2020	
I. FIXED DATE	
. Closing date	December 2020 ,31
. Establishment date of summary statement	March 2020 ,11
II. SUBSEQUENT EVENTS TO THE CLOSING UNRELATED TO CURRENT YEAR AND KNOWN BEFORE THE COMMUNICATION OF THE SUMMARY STATEMENT	
Dates	Indication of events
	- Favourables - Unfavourables NIL NIL

SPECIAL REPORT OF THE STATUTORY AUDITORS

PERIOD FROM JANUARY 1ST TO DECEMBER 31, 2020

ERNST & YOUNG SARL
37, Bd Abdellatif Ben Kaddour
20050 Casablanca

To the Shareholders of
TAQA MOROCCO S.A.
Commune Moulay Abdellah, Route régionale 301,
PK23, Centrale Thermique de Jorf Lasfar - El Jadida



Espace Bureaux Clarence
13, rue Al Kasr,
Casablanca

GENERAL REPORT OF THE STATUTORY AUDITOR - PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2020

English free translation of the original report in French)

Opinion

In compliance with the engagement entrusted to us by your general shareholders' meeting, we have audited the accompanying financial statements of TAQA Morocco S.A. (the Company) for the year ended December 31, 2020, which include the balance sheet and the income statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies. These financial statements show an equity of MAD 4.596.444.756,23 including a net profit of MAD 815.667.950,70. These financial statements were approved by the board on March 11th 2021, in an evolving context of the Covid-19 health crisis, based on information available at that date.

We certify that the above-mentioned financial statements present fairly, in all material respects, the financial position of TAQA Morocco S.A. as at December 31, 2020 and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Morocco.

Basis for opinion

We conducted our audit in accordance with professional standards applicable in Morocco. Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethics requirements that are relevant to our audit of financial statements, and we have fulfilled our other ethical responsibilities under these rules. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

The key audit matters are those matters which, in our professional judgment, were the most important in the audit of the financial statements for the reporting period. We determined that there was no key audit matter to communicate.

Responsibilities of Management's and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Moroccan General Accepted Accounting Principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company'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 it is expected to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatements, whether due to frauds or errors, 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 professional standards applicable in Morocco will always detect a material misstatement when it exists. Misstatements can arise from frauds or errors 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 on these financial statements.

As part of an audit conducted in accordance with the Moroccan standards on auditing, we exercise our professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in financial statements, whether due to frauds or errors, design and perform audit procedures responsive to those risks and obtain audit evidences that are sufficient and appropriate to provide a basis of 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, and not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of the 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 company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among others, 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.

Specific Verifications and information

We have also performed the specific verifications required by law and have notably made sure that information given in management report of the board of directors provided to the shareholders are consistent with the financial statements of the Company.

Casablanca, March 12, 2021

French original signed by

ERNST & YOUNG


37, Boulevard Abdellatif Ben Kaddour
20050 Casablanca
Abdelmajid TAÏZ
Associé - Tél: (212) 522 39 02 26

The statutory auditors

French original signed by

BENJELLOUN TOUIMI CONSULTING


BENJELLOUN TOUIMI
CONSULTING
Espace Bureaux Clarence, 13, Rue Al Kasr,
Casablanca - Maroc
Tél : 212 22 99 05 17 Fax : 212 22 99 10 19
Email : info@bjt.ma - IP : 0800 199 199

Abdelmajid
BENJELLOUN TOUIMI
Associé





To the Shareholders of
TAQA MOROCCO S.A.
Centrale thermique de Jorf Lasfar
BP 99 Sidi Bouzid
El Jadida



This is a free translation into English of the special report of the statutory auditor issued in French and it is provided solely for the convenience of English-speaking users

SPECIAL REPORT OF THE STATUTORY AUDITOR ON THE REGULATED AGREEMENTS PERIOD FROM JANUARY 1ST TO DECEMBER 31, 2020

To the shareholders,

In accordance with our assignment as statutory auditors of your Company, we hereby present our report on regulated agreements in accordance with articles 56 to 59 of Law 17-95 as amended and supplemented by Laws 20-05, 78-12 and 20-19.

Our responsibility is to present the characteristics and terms of the agreements notified to us by the Chairman of the Supervisory Board or that we have discovered during our assignment. However, we do not express any opinion regarding their usefulness and appropriateness, nor to look for the existence of other regulated agreements. It is your responsibility, according to the law abovementioned, to approve such agreements.

We have performed the necessary procedures according to the standards of the profession in Morocco. These procedures consisted of verifying the accuracy of information communicated to us with the corresponding supporting documentation.

1. AGREEMENTS CONCLUDED DURING THE YEAR

Your Chairman did not inform us of any new agreement concluded during the year 2020.

2. AGREEMENTS CONCLUDED DURING THE PREVIOUS YEARS AND WITH CONTINUING EFFECT DURING THIS YEAR

2.1. Support Service agreement with JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6, 66% owned by TAQA Morocco.

Nature and purpose of the agreement: The company signed on January 28, 2013 a support service agreement, particularly in the following areas: human resources, technical support, logistics and purchasing, information systems, as well as the implementation of health, safety and environment procedures.

Main terms: TAQA Morocco invoices on a monthly basis to JLEC 5&6 an amount of KMAD 914 VAT excluded.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized under this agreement in income amounts to KMAD 10,970. The remaining balance to be paid at this date amounts to KMAD 1,097.

Amounts received or paid: As of December 31, 2020, the total collections under this agreement amounts to KMAD 13,152 VAT included.

2.2. Support Service agreement with TAQA North Africa (written agreement)

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA ».

Nature and purpose of the agreement: The company signed on February 22, 2013 a support service agreement with TAQA North Africa, particularly in the following areas: finalization of accounting statements, assistance in reporting obligations as well as legal aspects.

Main terms: TAQA North Africa invoices on a monthly basis to TAQA Morocco an amount of KMAD 538 VAT excluded.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized under this agreement as an expense amount to KMAD 6,453. The remaining balance to be paid at this date amounts to KMAD 645.

Amounts received or paid: As of December 31, 2020, the total payments under this agreement amount to KMAD 7,098 VAT included.



2.3. Agreement entitled Inter-Project Funding Providers Agreement ("IPFPA") between TAQA Morocco, JLEC 5&6 and the financial institutions of TAQA Morocco and JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6, 66% owned by TAQA Morocco.

Nature and purpose of the agreement: The company signed on January 10, 2013 the IPFPA governing, among others, the treatment of insurance proceeds for the shared facilities of the power plant as well as the debt levels of TAQA Morocco.

Main terms: The «IPFPA» and its «SFIPAP» protocol determine the conditions for opening accounts and allocating insurance proceeds for the shared facilities of the power plant. These agreements also govern the designation of the responsible for organizing, obtaining and managing insurance and reinsurance for shared facilities of the power plant on behalf of the Borrowers (TAQA Morocco and JLEC 5&6) and the debt limit of TAQA Morocco as well as other matters and agreements between the parties.

Amount of services provided or delivered: As of December 31, 2020, no transaction has occurred under this agreement.

2.4. Operation and Maintenance Agreement «The O&M Agreement» signed between TAQA Morocco and CMS MOPCO (now TAQA North Africa) (written agreement).

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA ».

Nature and purpose of the agreement: Remuneration for the management of technical assistance services as well as the bonus or penalty on the availability of units 1 to 4 and on the Heat rate.

Main terms: This contract, dated September 4, 1997, determines the operation and maintenance subcontracting conditions for units 1 to 4 and port installations.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for management fees as an expense amount to KMAD 60,131. The remaining balance to be paid on that date amounts to KMAD 4,763.

Amounts received or paid: As of December 31, 2020, the total payments for management fees amounts to KMAD 67,835 VAT included.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for the bonus on the availability of units 1 to 4 (Available Capacity Incentive Payment) as an expense amount to KMAD 21,091. The remaining balance to be paid at this date amount to KMAD 25,290.

Amounts received or paid: As of December 31, 2020, the total payments relating to ACIP amounts to KMAD 33,120 VAT included.

No invoicing was issued for the Heat rate penalty for the fiscal year ended December 31, 2020.



2.5. Authorization process to increase financing lines and equity financing for TAQA Morocco named Equity Parties Agreement « EPA » between TAQA, TAQA Morocco, JLEC 5&6, TPV, TAQA International BV « TIBV » and the financial institutions of JLEC 5&6 (written agreement)

Persons concerned: JLEC 5&6 (66% owned by TAQA Morocco), TAQA Power Ventures BV (holding 34% of the capital of JLEC 5&6), TAQA International BV (held by TAQA Abu Dhabi) and Abu Dhabi National Energy Company (holding 100% of the capital of the company JLEC 5&6 through the companies TAQA Morocco and TAQA Power Ventures BV).

Nature and purpose of the agreement: On June 20, 2012, TAQA Morocco signed the Equity Parties Agreement (EPA) governing the authorization process related to increasing financing lines and equity financing for TAQA Morocco.

Main terms: The «EPA» determines the characteristics of funds injections, applicable restrictions, capital structure of TAQA Morocco, debt levels and financing transactions.

Amount of services provided or delivered: As of December 31, 2020, no transaction has occurred under this agreement.

2.6. Operation and maintenance agreement signed with JLEC 5&6 and TAQA North Africa (written agreement)

Persons concerned: TAQA North Africa, subsidiary of Abu Dhabi National Energy Company PJSC « TAQA » and JLEC 5&6 (66% owned by TAQA Morocco).

Nature and purpose of the agreement: TAQA Morocco has signed the "O&M Agreement" with TAQA NORTH AFRICA, JLEC 5&6 and Office National de l'Electricité et de l'Eau Potable « ONEE ». This agreement dated March 5, 2012 and its addendum dated December 12, 2012 determine the subcontracting, operation and maintenance conditions for units 5 & 6 of the plant and common facilities between TAQA Morocco and JLEC 5&6.

Main terms: The management fees are calculated according to the services provided for the management of the common facilities on behalf of TAQA Morocco.

Amount of services provided or delivered: As of December 31, 2020, the amount recognized for the management of common facilities as an expense amount to KMAD 4,320. The remaining balance to be paid at this date amounts to KMAD 418.

Amounts received or paid: As of December 31, 2020, the total payments amount to KMAD 4,325 VAT included.

Casablanca, March 12, 2021

Statutory Auditors

French original signed by

Ernst & Young

Abdelmejid FAIZ
Associé

Abdelmejid FAIZ
Associé

French original signed by

BENJELLOUN TOUIMI Consulting

Abdelmajid BENJELLOUN TOUIMI
Associé

Abdelmajid BENJELLOUN TOUIMI
Associé

STATEMENT OF FEES PAID TO AUDITORS

	Ernst & Young					
	Amount / Year			Percentage / Year		
	2020	2019	2018	2020	2019	2018
Statutory Audit, certification, examination of statutory and consolidated accounts	420,000	690,000	665,000	32%	53%	35%
<i>Issuer</i>	420,000	410,000	400,000	32%	32%	21%
<i>Subsidiaries</i>	288,500	280,000	265,000	22%	22%	14%
Other diligence and services directly related to the statutory audit	330,000	600,000	575,000	25%	47%	30%
<i>Issuer</i>	330,000	320,000	310,000	25%	25%	16%
<i>Subsidiaries</i>	288,500	280,000	265,000	22%	22%	14%
Sub-total	1,327,000	1,290,000	1,240,000	100%	100%	66%
Other services provided			650,000	0%	0%	34%
<i>Other</i>				0%	0%	0%
Sub-total	0	0	650,000	0%	0%	34%
Global Total	1,327,000	1,290,000	1,890,000	100%	100%	100%

	BENJELLOUN TOUIMI CONSULTING					
	Amount / Year			Percentage / Year		
	2020	2019	2018	2020	2019	2018
Statutory Audit, certification, examination of statutory and consolidated accounts	250,000	250,000	250,000	100%	100%	100%
<i>Issuer</i>	250,000	250,000	250,000	100%	100%	100%
<i>Subsidiaries</i>	0	0	0	0%	0%	0%
Other diligence and services directly related to the statutory audit	0	0	0	0%	0%	0%
<i>Issuer</i>	0	0	0	0%	0%	0%
<i>Subsidiaries</i>	0	0	0	0%	0%	0%
Sub-total	250,000	250,000	250,000	100%	100%	100%
Other services provided	0	0	0	0%	0%	0%
<i>Other</i>	0	0	0	0%	0%	0%
Sub-total	0	0	0	0%	0%	0%
Global Total	250,000	250,000	250,000	100%	100%	100%

LIST OF FINANCIAL PRESS RELEASES FOR THE PAST FINANCIAL YEAR

RESULTS AS OF 31st MARCH 2020

– Publication: 18 may 2020

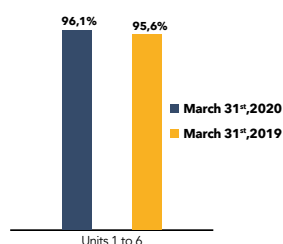
TAQA MOROCCO STRONG OPERATIONAL PERFORMANCE IN Q1 - 2020

- **Stable availability rate of Units 1 to 6 reaching 95.6%, compared to 96.1% as of March 31st, 2019,**
- **Financial performance impacted by the execution of Unit 5 Major Overhaul (68 days) in accordance with the maintenance plan,**
- **Drop in energy payments due to the coal price trend in the global market,**
- **Additional right of use payment of MAD 1.5 billion related to Units 1 to 4 PPA extension to 2044.**

CONSOLIDATED ACCOUNTS

In Mdh	March 31 st , 2020	March 31 st , 2019	Variance	Variance in %
Consolidated Turnover	1,883	2,375	(491)	(20.7%)
Consolidated EBITDA	655	885	(230)	(26.0%)
Consolidated Operating Profit	467	654	(187)	(28.6%)
Financial Result	(139)	(129)	(10)	(7.7%)
Consolidated Financial Result (*)	174	339	(165)	(48.7%)
Incl. Net Income Group Share	152	265	(113)	(42.8%)
Incl. Minority Interests	22	74	(52)	(69.7%)

AVAILABILITY RATE



Strong operational performance as of March 31st, 2020

- An **availability rate** of Units **1 to 4** of **95%** compared to **98.7%** as of March 31st, 2019, taking into account the 7 days inspection of Unit 3, in accordance with the maintenance plan.
- An **availability rate** of Units **5&6** increasing to **96.6%** compared to **90.8%** as of March 31st, 2019, due to the execution of Units 5 and 6 inspections, in accordance with the maintenance plan.

Financial performance as of March 31st, 2020 are as follows:

- The **Consolidated Turnover** as of March 31st, 2020 reaches **MAD 1,883 million** compared to **MAD 2,375 million** as of March 31st, 2019 mainly due to :
 - The execution of Unit 5 scheduled major overhaul of 68 days during the fourth quarter 2019, in accordance with the maintenance plan,
 - The drop in energy payments due to the coal price trend in the global market,
 - the strong operational performance of the 6 Units.

- **Consolidated Operating profit** records **MAD 467 million** compared to **MAD 654 million** as of March 31st, 2019 due to the execution of Unit 5 scheduled major overhaul.

Thus, **Consolidated operating margin rate** reaches **24.8%** compared to **27.5%** as of March 31st, 2019.

- **Net Income Group Share** amounts to **MAD 152 million** compared to **MAD 265 million** as of March 31st, 2019 due to the combined effect of the decrease of the consolidated operating profit impacted by Unit 5 major overhaul and the evolution of the financial result due to lower financial income on cash investments. This leads to a **consolidated net margin rate** of **9.2%** as of March 31st, 2020 compared to **14.3%** as of March 31st, 2019.

Quarterly Indicators

In Mdh	March 31 st , 2020	March 31 st , 2019	Variance	Variance in %
Consolidated Turnover (*)	1,883	2,375	(491)	(20.7%)
Consolidated CAPEX (*)	146	1	145	N/A
Consolidated Net Debt (*)	9,661	8,551	1,109	13%

Consolidated CAPEX

Consolidated CAPEX records **MAD 146 million** as of March 31st, 2020 compared to **MAD 1 million** as of March 31st, 2019. CAPEX is mainly including Units maintenance projects, in particular Unit 5 major overhaul amounting to MAD 135 million.

Consolidated net debt

Consolidated net debt is increasing by **13%** compared to March 31st, 2019 due to the combined effect of the reimbursements over the period and the draw-down on the debt related to the additional right of use payment of MAD 1.5 billion for Units 1 to 4 PPA extension.

Consolidation Perimeter

Companies	% Interest as of March 31 st , 2020	% Interest as of March 31 st , 2019	Consolidation method
TAQA Morocco	100%	100%	Full consolidation
JLEC 5&6	66%	66%	Full consolidation

Outlooks

Thanks to its operational expertise and its resilient business model, TAQA Morocco will execute its strategic orientations to achieve 2020 forecasted operational and financial objectives.

(*) As of March 31st, 2020, the JLEC 5&6 results taken into account in the consolidation process are in line with the book closing dated October 1st, 2019 to December 31st, 2019, in accordance with the consolidation methods of the TAQA Morocco Group. The significant event during this period is related to the execution of Unit 5 major overhaul impacting by MAD 145 million the consolidated net income.

Filiale d'Abu Dhabi National Energy Company «TAQA»

TAQA MOROCCO - Société Anonyme à Directoire et Conseil de Surveillance • Siège social : Km 23, Route secondaire 301 - Commune My Abdellah
Province d'El Jadida - Centrale Thermique Jorf Lasfar - BP 99 Sidi Bouzid - El Jadida - Maroc • Tél. : +212 523 38 90 00 - Fax : +212 523 34 53 75
Contact : finance@taqamorocco.ma Retrouvez l'agenda financier sur www.taqamorocco.ma



Q2 FINANCIAL STATEMENTS

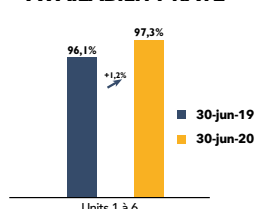
- Publication: 27 august 2020

TAQA MOROCCO

INCREASING OPERATIONAL PERFORMANCE IN Q2 2020

- Strong operational performance with a global availability rate of Units 1 to 6 rising to 97.3%, compared to 96.1% as of June 30th, 2019,
- Energy payments trend in line with coal price decrease in the international market,
- Additional right of use payment of MAD 1.5 billion related to Units 1 to 4 PPA extension from 2027 to 2044,
- Resilient business model in a risk adverse context.

AVAILABILITY RATE



Increasing operational performances as of June 30th, 2020:

- An **availability rate** of Units 1 à 4 of **97.3%** compared to **97%** as of June 30th, 2019.
- An **availability rate** of Units 5&6 rising to **97.2 %** compared to **94.4%** as of June 30th, 2019, due to the execution of Units 5 & 6 inspections in accordance with the maintenance plan and thanks to improved operational efficiency.

Operational performances as of Q2 2020 are as follows :

- Outstanding performance of Units 1 to 4 with an **availability rate** soaring to **99.6%** compared to **95.3%** as of Q2 2019 ;
- **Availability rate** of Units 5 & 6 of **97.7%** compared to **99.1%** as of Q2 2019.

QUARTERLY INDICATORS

In MAD million	H1 2020	H1 2019	Variance	Variance in %
Consolidated Turnover (*)	4,016	4,512	(496)	(11.0%)
Consolidated Capex (*)	1,679	23	1,655	NA
Consolidated Net Debt (*)	8,200	7,366	834	11.3%

Q2 2020	Q2 2019	Variance	Variance in %
2,133	2,137	(4)	(0.2%)
1,533	23	1,510	NA

(*) As of June 30th, 2020, the JLEC 5&6 results taken into account in the consolidation process correspond to book closing dated October 1st, 2019 to March 31st, 2020, in accordance with the consolidation methods of TAQA Morocco Group. The significant event during this period is related to the execution of Unit 5 major overhaul.

Consolidated turnover

- TAQA Morocco Group generated a **consolidated turnover of MAD 4,016 million** compared to **MAD 4,512 million** as of June 30th, 2019 mainly driven by the following factors :

- The execution of Unit 5 major overhaul of 68 days in Q4 2019, in accordance with the maintenance plan,
- The decrease of energy payments due to the coal price trend in the global market,
- The strong operational performance of the 6 Units.

Stable **Consolidated turnover** in Q2 2020 of **MAD 2,133 million** as a result of the combined effects of increasing base capacity charges due to strong operational performances and decreasing energy payments further to dropping coal price in the global market.

Consolidated Capex

Consolidated capex reached **MAD 1,679 million** as of June 30th, 2020, compared to **MAD 23 million** as of June 30th, 2019. Capex is mainly composed of Units 1 to 4 PPA extension's additional right of use of MAD 1.5 billion and units maintenance projects, particularly Unit 5 major overhaul amounting to MAD 135 million.

Consolidated net debt

Consolidated net debt increased by 11.3 % compared to June 30th, 2019 due to the combined effects of the debt payback over the period and the drawdown on the debt related to the additional right of use payment of MAD 1.5 billion for Units 1 to 4 PPA extension.

Consolidation Perimeter

Companies	% of interest as of June 30th, 2020	% of interest as of June 30th, 2019	Consolidation method
TAQA Morocco	100%	100%	Full consolidation
JLEC 5&6	66%	66%	Full consolidation

Outlooks

Thanks to its operational expertise and its resilient business model, TAQA Morocco will execute its strategic orientations to achieve 2020 forecasted operational and financial objectives.

Filiale d'Abu Dhabi National Energy Company «TAQA»

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LIST OF FINANCIAL PRESS RELEASES FOR THE PAST FINANCIAL YEAR

RESULTS AS OF 30th JUNE 2020

- Publication: 18 september 2020

TAQA MOROCCO RESULTS AS OF JUNE 30th, 2020 CONTINUED GROWTH OF OPERATIONAL PERFORMANCES

- Strong operational performances in steady improvement with a global availability rate of Units 1 to 6 rising to 97.3%, compared to 96.1% as of June 30th, 2019,
- Energy payments trend in line with coal price decreasing in international market,
- Additional right of use payment of MAD 1.5 billion related to Units 1 to 4 PPA extension to 2044,
- Dividend distribution of MAD 36 per share on July 23rd, 2020, representing a dividend yield of 4.7% (*).

TAQA Morocco's Board of Directors meeting on September 16th, 2020, under the chairmanship of Mr Abdelmajid Iraqui Houssaini, approved the statutory and consolidated accounts as of June 30th, 2020:

CONSOLIDATED ACCOUNTS

In MAD million	June 30 th , 2020	June 30 th , 2019	Variance	Variance in %
Turnover	4,016	4,512	(496)	
Operating Profit	1,100	1,243	(143)	
Financial Result	(258)	(257)	0	
Net Profit (**)	535	659	(123)	
Including Net Income Group Share	428	507	(79)	(16%)
Including Minority Interest	107	151	(44)	(29%)

(**) As of June 30th, 2020, the JLEC 5&6 results taken into account in the consolidation process correspond to book closing dated October 1st, 2019 to March 31st, 2020, in accordance with the consolidation methods of TAQA Morocco Group. The significant event during this period is related to the execution of Unit 5 major overhaul impacting by MAD 150 million the consolidated net income.

As of June 30th, 2020, operational performances improved as follows:

- An **availability rate** of Units 1 to 4 increasing to **97.3 %** compared to **97 %** as of June 30th, 2019.
- An **availability rate** of Units 5&6 rising to **97.2 %** compared to **94.4 %** as of June 30th, 2019, due to the execution of Units 5 & 6 inspections in accordance with the maintenance plan and triggered by improved operational efficiency.
- A **Consolidated turnover** amounting to MAD 4,016 million compared to MAD 4,512 million as of June 30th, 2019, mainly explained by :
 - The execution of Unit 5 major overhaul of 68 days on Q4 2019, in accordance with the maintenance plan,
 - The decrease of energy payments due to the coal price trend in the global market,
 - The strong operational performance of the 6 Units.

- A **Consolidated Operation Profit** of MAD 1,100 million compared to MAD 1,243 million as of June 30th, 2019 due to the execution of the scheduled Unit 5 Major overhaul.

Consequently, the **Consolidated net profit margin** goes from **27.5%** as of June 30th, 2019 to **27.4%** as of June 30th, 2020.

- A **Net Income Group Share**, going from MAD 507 million to MAD 428 million as of June 30th, 2020, mainly explained by the Unit 5 major overhaul's execution and a stable financial result due to the combined effects of interest expenses related to the financing of the additional right of use and to the debt reimbursements over the period.
- This leads to a consolidated net profit margin reaching **13.3%** as of June 30th, 2020 compared to **14.6%** as of June 30th, 2019.

BALANCE SHEET INDICATORS – CONSOLIDATED FINANCIAL STATEMENTS

Equity capital of MAD 6,266 million	Balanced capital structure
Gearing of 55%	Slight evolution due to the drawdown on the debt related to the additional right of use payment and to the debt reimbursements of the period
Working capital needs of MAD 958 million	Controlled working capital needs

OUTLOOKS

TAQA Morocco has successfully finalized a bond issuance by a private placement for an amount of MAD 2.700.000.000 subscribed by qualified investors. This transaction will optimize TAQA Morocco's debt cost and it will diversify its funding sources to support the company's energy mix development in Morocco and Africa.

Thanks to its operational expertise and resilient business model, TAQA Morocco is working actively to achieve its 2020 forecasted operational and financial targets.

(*) Based on share price of September 9th, 2020.

- Visit TAQA Morocco's financial report as of June 30th, 2020 clicking the following link :
<https://www.taqamorocco.ma/fr/rapports-annuels>

Filiale d'Abu Dhabi National Energy Company «TAQA»

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FINANCIAL RESULTS AS OF 30th SEPTEMBER 2020

- Publication: 16 november 2020

TAQA MOROCCO

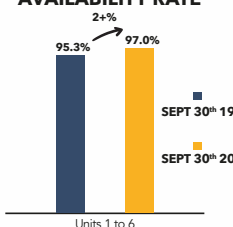
RESULTS AS OF SEPTEMBER 30th, 2020
ROBUST OPERATING PERFORMANCE

- Increased consolidated availability rate of Units 1 to 6 rising to 97%, compared to 95.3% as of September 30th, 2019,
- Energy payments trend in line with coal price decreasing in the international market,
- Additional right of use payment of MAD 1.5 billion related to Units 1 to 4 PPA extension to 2044, financed through long term debt of 15 years,
- Bond issuance by a private placement for an amount of MAD 2.700.000.000 subscribed by qualified investors.

CONSOLIDATED ACCOUNTS

In MAD million	September 30 th , 2020	September 30 th , 2019	Variance	Variance in %
Turnover	6,019	6,910	(891)	(13%)
EBITDA	2,390	2,637	(247)	(9%)
Operating Profit	1,816	1,921	(105)	(5%)
Financial Result	(434)	(401)	(33)	(8%)
Net Profit (*)	894	1,026	(131)	(13%)
Including Net Income Group Share	709	789	(80)	(10%)
Including Minority Interest	185	237	(51)	(22%)

AVAILABILITY RATE



As of September 30th, 2020, operating performance improved as follows:

- An **availability rate** of Units 1 to 4 increasing to **96.9%** compared to **96%** as of September 30th, 2019 explained by higher operating performance and the execution of Unit 4 scheduled inspection of 10 days as part of the maintenance plan.
- An **availability rate** of Units 5&6 rising to **97%** compared to **94.1%** as of September 30th, 2019, thanks to improved operational efficiency and due to the execution of Units 5 & 6 scheduled outages in 2019, in accordance with the maintenance plan.

As of the third quarter of 2020, operating performance are as follows:

- An **availability rate** of Units 1 to 4 of **96.3%** compared to **94%** as of the third quarter of 2019 driven by higher operating performance and the execution in September, 2019 of Unit 4 scheduled inspection of 10 days as part of the maintenance plan.
- An **availability rate** of Units 5&6 of **96.6%** compared to **94%** as of the third quarter of 2019 due to Unit 5 major overhaul that started on September 28th, 2019.

Financial performance as September 30th, 2020 are as follows:

- A **Consolidated turnover** amounting to MAD 6,019 million compared to MAD 6,910 million as of September 30th, 2019, mainly explained by :
- The execution of Unit 5 major overhaul of 68 days on Q4 2019, in accordance with the maintenance plan,
- The decrease of energy payments due to the coal price trend in the international market,
- The strong operational performance of the 6 Units.

- A **Consolidated Operation Profit** of **MAD 1,816 million** compared to **MAD 1,921 million** following the execution of the scheduled Unit 5 Major overhaul.

Consequently, the **Consolidated net profit margin**, in increase, goes from **27.8%** as of September 30th, 2019 to **30.2%** as of September 30th, 2020.

- A **Net Income Group Share**, going from **MAD 789 million** to **MAD 709 million** as of September 30th, 2020, mainly explained by a decreasing operating profit impacted by the Unit 5 planned major overhaul's execution and the decrease of the financial result mostly due to the interest costs related to the additional right of use financing.

This leads to a consolidated net profit margin reaching **14.9%** as of September 30th, 2020 compared to **14.8%** as of September 30th, 2019.

QUARTERLY INDICATORS

In MAD million	Sept 30 th 2020	Sept 30 th 2019	Variance	Variance in %	Q3 2020	Q3 2019	Variance	Variance in %
Consolidated Turnover (*)	6,019	6,910	(891)	(12.9%)	2,003	2,398	(395)	(16.5%)
Consolidated Capex (*)	1,719	38	1,681	NA	41	15	26	173.8%
Consolidated Net Debt (*)	7,949	7,882	67	0.8%				

CONSOLIDATED TURNOVER

As of the third quarter of 2020, TAQA Morocco Group generated a consolidated turnover of **MAD 2,003 million** compared to **MAD 2,398 million** as of September 30th, 2019 due to the combined effects of higher operating performance of Units 1 to 6 and the decrease of energy payments further to the coal price trend in the international market.

CONSOLIDATED CAPEX

Consolidated capex reached **MAD 1,719 million** as of September 30th, 2020, compared to **MAD 38 million** as of September 30th, 2019. Capex is mainly composed of the Units 1 to 4 PPA extension's additional right of use of MAD 1.5 billion and Plant maintenance projects, particularly Unit 5 major overhaul amounting to MAD 135 million.

CONSOLIDATED NET DEBT

Consolidated net debt is stable compared to September 30th, 2019 due to the combined effects of the drawdown on the debt related to the additional right of use payment of MAD 1.5 billion for Units 1 to 4 PPA extension and the repayments of the period.

CONSOLIDATION PERIMETER

Companies	% of interest as of September 30 th , 2020	% of interest as of December 31 st , 2019	Consolidation method
TAQA Morocco	100%	100%	Full consolidation
JLEC 5&6	66%	66%	Full consolidation

OUTLOOKS

The main event of the last quarter will be the minor outage of Unit 1 planned for an estimated duration of 25 days.

As for the rest of the year, TAQA Morocco is working actively to achieve its 2020 forecasted operational and financial targets while confirming its ambition for sustainable development by considering opportunities in Morocco and Africa.

(*) As of September 30th, 2020, the JLEC 5&6 results taken into account in the consolidation process correspond to book closing dated October 1st, 2019 to June 30th, 2020, in accordance with the consolidation methods of TAQA Morocco Group.

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LIST OF FINANCIAL PRESS RELEASES FOR THE PAST FINANCIAL YEAR

Q4 FINANCIAL STATEMENTS

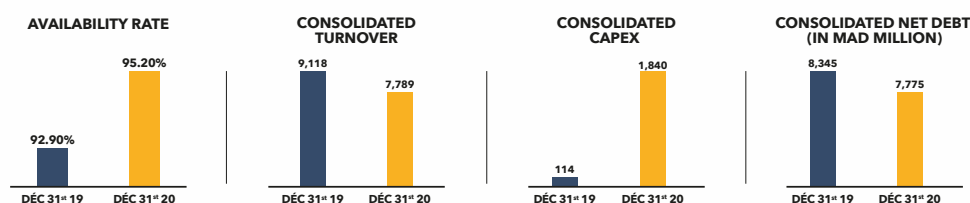
- Publication: 25 february 2021

TAQA MOROCCO Q4 2020 FINANCIAL RESULTS A SUSTAINABLE OPERATING PERFORMANCE

- Significant consolidated availability rate growth rising to 95.2% compared to 92.9% as December 31st, 2019
- Energy payment in line trending with international coal market prices,
- Right of use obligation payment of MAD 1.5 billion related to Units 1 to 4 PPA extension to 2044,
- Improved consolidated net debt.

“TAQA Morocco delivers exceptional availability rate in 2020 of 95.20% confirming its commitment to operational excellence. We congratulate the Team for this outstanding success made possible thanks to the rapid deployment of the business continuity programme and our agile organization.”

Abdelmajid Iraqui Houssaini, TAQA Morocco Chairman of the Management Board.



OPERATING PERFORMANCE :

Units 1 to 6 record a strong availability rate as of December 31st, 2020 of **95.2%** compared to **92.9%** yoy.

As of Q4-2020, the availability rate of Units 1 to 6 increases to **89.9%** compared to **85.8%** as of Q4-2019.

QUARTERLY INDICATORS

In MAD million	December 31 st 2020	December 31 st 2019	Variance	Variance in %	Q4 2020	Q4 2019	Variance	Variance in %
Consolidated Turnover (*)	7,789	9,118	(1,329)	(14.6%)	1,769	2,208	(438)	(19.9%)
Consolidated Capex (*)	1,840	114	1,726	N/A	121	15	106	N/A
Consolidated net debt (*)	7,775	8,345	(569)	(6.8%)				

(*) As of December 31st, 2020 the JLEC 5&6 results taken into account in the consolidation process correspond to book closing dated October 1st, 2019 to September 30th, 2020, in accordance with the consolidation methods of TAQA Morocco Group.

CONSOLIDATED TURNOVER

- TAQA Morocco's **Consolidated Turnover** is at **MAD 7,789 million** compared to **MAD 9,118 million** as of december, 31st, 2019 due the combined effects of :
 - Outstanding technical performance of the overall units in accordance with the maintenance plan,
 - Energy payments decrease further to the coal price trends in international market,
 - Execution of Unit 5 Major outage of 68 days on Q4-2019.

- The **Consolidated turnover** as of Q4-2020 is at **MAD 1,769 million**, compared to **MAD 2,208 million** as of Q4-2019, mainly due to :
 - The Execution of Unit 5 Major overhaul of 68 days on Q4-2019,
 - The Energy payments decrease further to the coal price trends in international market.

CONSOLIDATED INVESTMENTS

The **Consolidated Investments** were up to **MAD 1,840 million**, compared to **MAD 114 million** in 2019, the consolidated Capital expenditures are mainly explained by Units 1 to 4 PPA additional right of use of MAD 1.5 billion and Units maintenance projects, particularly Unit 5 major outage in Q4-2019 and Unit 1 minor outage in Q4-2020.

CONSOLIDATED NET DEBT

The consolidated net debt is in decrease by **6.8%** compared to December 31st, 2019, which is explained by the combined effect of the debt repayments during 2020 as well as the debt drawdown related to the additional right of use payment of MAD 1.5 billion.

CONSOLIDATION PERIMETER

Companies	% of interest as of December 31 st , 2020	% of interest as of December 31 st , 2019	Consolidation method
TAQA Morocco	100%	100%	Full consolidation
JLEC 5&6	66%	66%	Full consolidation

OUTLOOKS

The 2021 first quarter main event of will be the major outage of Unit 6, planned for an estimated duration of 70 days.

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APPENDICES: MANAGEMENT REPORT 2020

MANAGEMENT REPORT

TAQA MOROCCO

Public limited company with Executive Board and Supervisory Board MAD 2,358,854,200 share capital

Head office: Commune Moulay Abdellah, Regional Road 301, PK 23, Jorf Lasfar Thermal Power Station, El Jadida
El Jadida Trade Register number 2145

MANAGEMENT REPORT OF THE EXECUTIVE BOARD AT THE ANNUAL GENERAL MEETING AS OF MAY 25, 2021

Dear Shareholders,

We invite you to an Ordinary Annual General Meeting, in accordance with the law and the articles of association, to (i) present the activity of the Company during the financial year ending December 31, 2020, results and our outlook and (ii) submit for approval the financial year accounts for this and the allocation of the results.

Abdelmajid Benjelloun Touimi and Zouhair Benkirane, partners of Benjelloun Touimi Consulting and Ernst & Young, will also provide general and special reports.

All corporate documents, accounts, reports and other materials and related information have been made available to the shareholders.

1. ACTIVITY OF THE COMPANY DURING THE PAST FINANCIAL YEAR

■ 1.1 Economic conditions:

a) Changes in USD/MAD parity

The average USD/MAD parity fell slightly by 1.8%, to 9.46 in 2020 from 9.63 in 2019.

b) Changes in coal prices

The average purchase price of coal dropped significantly to \$64/metric ton in 2020 from \$81/metric ton in 2019, following lower prices in the international market.

■ 1.2 Company activity

The power plant's activity was marked by the following:

- The overall annual availability level of Units 1 to 6 of the power plant reached 95.2% in 2020 compared to 92.9% in 2019.
- The overall annual availability level of Units 1 to 4 of the power plant reached a percentage of 94.3% in 2020 compared to 96.4% in 2019.
- The availability level of Units 5 and 6 reached a percentage of 97% in 2020 compared to 85.8% in 2019.
- Carrying out the planned minor overhaul of Unit 1 during the fourth quarter of 2020 in accordance with the maintenance plan.
- The completion of the planned major overhaul of Unit 5 lasting 68 days during the fourth quarter of 2019 in accordance with the maintenance plan.

■ 1.3 Other highlights

- In the presence of the Minister of Economy and Finance and the Minister of Energy, Mines and Environment, TAQA Morocco and ONEE signed on January 24, 2020, amendments relating to the extension of Power Purchase Agreement (PPA) and the Transfer Pricing Agreement (TPA) with a view to extending the operating period of Units 1-4 until April 15, 2044 corresponding to the end of the JLEC PPA 5 and 6. The alignment of these contracts make it possible to sustainably consolidate the robustness of TAQA Morocco's business model to continue to guarantee a competitive base load and contribute to the energy security of the Kingdom of Morocco.
- TAQA Morocco issued a private bond placement amounting to MAD 2.7 billion on September 7, 2020, at a fixed rate of 3.75% on a maturity of 18 years. This will enable TAQA Morocco to optimize its cost of debt and to diversify financing sources to support the company's diversified energy targets in Morocco.

2. SIGNIFICANT EVENTS SINCE THE END OF THE LAST FINANCIAL YEAR

Nothing to report.

3. PRESENTATION OF THE ANNUAL ACCOUNTS

■ 3.1 Corporate accounts

3.1.1 – Income and expense account

In Mdh	Dec-2020	Dec-2019	Variation	Variation %
Capacity revenues	1,732	1,843	(111)	(6.0)
Energy payments	2,313	3,066	(753)	(24.6)
Other revenue	189	216	(27)	(12.7)
Sales turnover	4,233	5,124	(891)	(17.4)
Consumed purchases of materials and supplies	2,671	3,389	(719)	(21.2)
Other external charges	175	155	20	13.1
Value Added	1,388	1,581	(193)	(12.2)
Value Added Rate (VA/Turnover)	32.8%	30.8%		194 bps
Taxes and duties	23	24	0	(0.5)
Staffing expenses	246	212	34	16.3
Gross Operating Surplus	1,118	1,345	(227)	(16.9)
Gross operating margin (EBITDA/Turnover)	26.4%	26.2%		16 bps
Other operating revenues	1	3	(2)	(61.2)
Resumption of operations, transfer of expenses	66	14	51	355.5
Other operating expenses	4	0	4	100.0
Operating allocations	401	610	(208)	(34.2)
Operating earnings	780	752	28	3.7
Operating margin (Operating Earnings/Turnover)	18.4%	14.7%		374 bps
Financial income	495	372	123	33.1
Income from equity securities	462	330	132	40.0
Foreign exchange gains	1	5	(4)	(76.5)
Interest and other financial income	32	36	(4)	(9.9)
Financial reversals, transfer of expenses	0	1	(1)	100.0
Financial expenses	215	159	56	35.3
Interest expense	196	153	44	28.5
Foreign exchange losses	18	6	12	207.6
Financial allocations	0	0	0	0.0
Financial earnings	281	213	67	31.5
Current income	1,061	966	95	9.8
Non-current revenue	24	23	1	2.8
Other non-current income	24	0	24	100.0
Non-current reversals, transfer of expenses	0	23	(23)	(100.0)
Non-current expenses	84	44	40	92.0
Other non-current expenses	58	17	41	235.6
Non-current allocations	26	26	(1)	(2.0)
Non-current income	-60	-20	(39)	194.2
Earnings before tax	1,001	946	55	5.9
Corporate tax	185	205	(20)	(9.5)
Net earnings	816	741	75	10.1
Net Margin (Net earnings / Turnover)	19.3%	14.5%		481 bps

MANAGEMENT REPORT

■ 3.1 Corporate accounts

3.1.1 – Income and expense account (Continued)

a) Analysis of operating income

As of December 31, 2020, turnover amounted to MAD 4,233 million compared to MAD 5,124 million in 2019. This evolution can be analyzed as follows:

- 6% decrease in capacity revenues compared to 2019 mainly explained by:
 - the completion of the planned minor overhaul of Unit 1,
 - the contractual reduction in prices,
 - changes in the USD/MAD exchange rate.
- 24.6% reduction in energy costs, mainly due to changes in the price of coal on the international market.

Operating income increased by 3.7% compared to 31 December 2019, which is mainly due to:

- The change in turnover compared to 2019,
- The decrease in amortisation allowances of MMAD 208 following the signing of the PPA extension for Units 1-4.

b) Analysis of financial income

The following table details the structure as well as the change in financial income over the 2019 – 2020 period:

(MAD, million)	2020	2019	Variation %
Financial income	495	372	33
Income from equity securities	462	330	40
Foreign exchange gains	1	5	(76)
Interest and other financial income	32	36	(10)
Financial reversals, transfer of expenses	0	1	(100)
Financial expenses	215	159	35
Interest expense	196	153	28
Foreign exchange losses	18	6	208
Financial allocations	0	0	0
Financial earnings	281	213	31

At the end of 2020, financial income amounted to MAD 281 million compared to MAD 213 million at the end of 2019. This increase of MAD 68 million is mainly explained by:

- The increase in dividends to be distributed by the subsidiary JLEC 5&6 of MAD 132 million to MAD 462 million from MAD 330 million in 2019.
- The increase in interest charges of MAD 44 million from the drawdown of debt relating to the additional right of use for an amount of MAD 1.5 billion,
- The increase in net foreign exchange losses of MAD 17 million, following changes in the USD/MAD and EUR/MAD exchange rates,
- Lower interest on investments for MAD 4 million.

c) Analysis of non-current income

The following table details the structure as well as the change in non-current income over the 2019-2020 period:

(MAD, million)	2020	2019
Non-current revenue	24	23
Proceeds from disposal of fixed assets	0	0
Other non-current income	0	0
Non-current reversals, transfer of expenses	24	23
Non-current expenses	84	44
N.P.V. of divested assets	0	0
Grants awarded	0	0
Other non-current expenses	58	17
Non-current allocations	26	26
Non-current income	(60)	(20)

Other non-current expenses include the Social Solidarity Contribution (SSC), non-current expenses related to COVID-19 as well as other non-current expenses relating to the audit of the Exchange Office that the company was subject to in 2017.

3.1.2 Balance sheet

(MAD, million)	Dec-2020	Dec-2019
ASSETS		
Fixed assets	6,326	5,027
Non-value fixed assets	241	228
Intangible fixed assets	4,608	3,297
Tangible fixed assets	276	300
Financial fixed assets	1,201	1,201
Current assets	2,498	2,891
Stocks	885	1,011
Current receivables	1,609	1,877
Conversion spreads - Asset	3	2
Cash assets	1,011	953
Banks, TG and CP	28	10
Investment securities and securities	983	942
Total	9,835	8,870
LIABILITIES		
Permanent funding	8,681	7,545
Equity	4,596	4,630
Financial debts	4,058	2,891
Sustainable provisions for risks and charges	26	24
Current liabilities	1,116	1,320
Other provisions for risks and charges	32	3
Conversion spreads - Liability (current items)	6	3
Cash liabilities	0	0
Total	9,835	8,870

The total balance sheet shows an increase of 11% from:

- Increase in fixed assets of MAD 1,299 million, mainly by 2020 investments of MAD 1,681 million (including the additional right of use relating to the extension of the PPA for Units 1 to 4 for an amount of MAD 1,500 million and the capitalized cost of the minor overhaul of Unit 1) as well as the depreciation allowances for MAD 381 million
- Decrease in current assets of MAD 393 million from:
 - The decrease in trade receivables of an amount of MAD 362 million following the decline in power costs for the months of November and December 2020 impacted by the minor overhaul of Unit 1 planned during the fourth quarter as well as the change in energy payments following the fall in the price of coal on the international market.
 - The decrease in stock accounts of MAD 126 million (mainly coal stock following quantity and price effects).
 - The decrease in government claims of MAD 39 million (mainly VAT credit accounts of MAD 57 million).
 - The increase in dividends to be received from the subsidiary JLEC 5&6 of MAD 132 million.
- Increase in net cash of MAD 60 million due to the decrease in working capital of MAD 163 million and the decrease in working capital requirement of MAD 223 million.

The main variations recorded in the liability side of the balance sheet:

- Decrease in equity capital of MAD 33 million resulting from the recognition of the net income of MAD 816 million and dividends of MAD 849 million distributed in 2020.
- Increase in financing debts of MAD 1,167 million, mainly due to the drawdown of the debt relating to the additional right of use of MAD 1.5 billion as well as by repayments for the year.
- Decrease in the debts of the current liabilities of MAD 204 million which can be analyzed as follows:
 - The decline in supplier debts of MAD 140 million.
 - The decline in creditor receivables of MAD 26 million.
 - The decrease in government debts of MAD 41 million (mainly invoiced VAT accounts).

MANAGEMENT REPORT

■ 3.2 Consolidated accounts

3.2.1 Consolidated income and expense account

(MAD, million)	Dec-2020	Dec-2019	Variation	Variation %
Capacity revenues	3,949	4,246	(297)	(7.0)
Energy payments	3,577	4,716	(1,139)	(24.1)
Other income	262	156	106	68.5
Net turnover	7,789	9,118	(1,329)	(14.6)
Other operating revenues	1	3	(2)	(61.2)
Resumption of operations and transfer of expenses	9	14	(6)	(38.4)
Total operating revenues	7,799	9,135	(1,336)	(14.6)
Purchases and other external expenses	4,294	5,318	(1,025)	(19.3)
Taxes and duties	24	24	0	(0.3)
Staffing expenses	317	274	43	15.6
Other operating expenses	4	0	4	100.0
Depreciation and provisions	802	969	(167)	(17.2)
Total operating expenses	5,440	6,585	(1,145)	(17.4)
Operating earnings	2,359	2,550	(191)	(7.5)
Operating margin (Operating Earnings/Turnover)	30.3%	28.0%		232 pbs
Financial earnings	(564)	(521)	(44)	8.4
Current income	1,795	2,030	(235)	(11.6)
Non-current income	(94)	(21)	(73)	338.0
Earnings before taxes	1,700	2,008	(308)	(15.3)
Margin before tax (Earnings before Tax / Turnover)	21.8%	22.0%		(19 pbs)
Income taxes	557	636	(80)	(12.5)
Consolidated net income	1,144	1,372	(228)	(16.6)
Net margin (Net Income/Turnover)	14.7%	15.0%		(36pbs)
including Net income - Group share	880	1,054	(174)	(16.5)
including Minority Interests	264	318	(54)	(17.0)

In 2020, the consolidated turnover amounts to MAD 7,789 million, compared to MAD 9,118 million in 2019, mainly by:

- The stable operational performance of Units 1 to 6, taking into account the maintenance plan
- The reduction in energy payments following changes in the purchase price of coal on the international market
- The completion of the planned 68-day major overhaul of Unit 5 during the fourth quarter of 2019 as well as the planned minor overhaul of Unit 1 during the fourth quarter of 2020, in accordance with the maintenance plan

Consolidated operating income amounted to MAD 2,359 million compared to MAD 2,550 million in 2019. This change is primarily from the impact of the major 68-day overhaul of Unit 5 carried out during the fourth quarter of 2019, mitigated by the decrease in depreciation and amortization following the signing of the extension of the PPA for Units 1-4.

The operating margin rate is increased and stood at **30.3%** in 2020 compared to **28%** in 2019.

Financial income decreased by MAD 44 million, to MAD -564 million in 2020 from MMAD -521 million in 2019, explained mainly by the increase in interest charges following the drawdown of the debt relating to the additional right of use as well as the decrease in the foreign exchange result following the changes in the USD/MAD and EUR/MAD exchange rates.

The consolidated net margin rate is **14.7%** in 2020 compared to **15%** in 2019.

Group net income share thus amounts to MAD 880 million in 2020 compared to MAD 1,054 million in 2019.

3.2.2 Consolidated Balance Sheet

(MAD, million)	Dec-2020	Dec-2019	Variation %
ASSETS			
Fixed assets	14,381	13,436	7.0
Intangible fixed assets	5,130	3,680	39.4
Tangible fixed assets	9,023	9,374	(3.7)
Financial fixed assets	1	1	(35.8)
Conversion spreads - Asset	228	381	(40.3)
Current assets	3,401	4,102	(17.1)
Stocks and work in progress	1,469	1,526	(3.7)
Operating receivables	1,339	1,917	(30.2)
Miscellaneous receivables	593	660	(10.1)
Cash assets	1,853	2,091	(11.4)
including investment securities and securities	1,571	1,659	(5.3)
Total ASSETS	19,635	19,630	0.0
LIABILITIES			
Permanent funding	17,533	17,130	2.4
Consolidated equity	6,637	6,580	0.9
Capital	2,359	2,359	0.0
Consolidated reserves	2,331	2,126	9.6
Net income (Group share)	880	1,054	(16.5)
Equity Group share	5,570	5,539	0.6
Minority interests	1,067	1,041	2.5
Provisions for risks and charges	26	24	8.0
Financial debts	10,781	10,374	3.9
Conversion spreads - Liability	89	151	100.0
Current liabilities	2,103	2,500	(15.9)
Operating debt	758	1,183	(35.9)
Other debts	1,345	1,317	2.1
Cash liabilities	0	0	0.0
Total LIABILITIES	19,635	19,630	0.0

The main changes in consolidated aggregates are presented below:

- Increase in the consolidated fixed assets of MAD 945 million, which is mainly explained by the investments of the year of MAD 1,888 million as well as the depreciation charges recorded on December 31, 2020 of MAD 782 million.
- Decrease in the receivables of the current assets of MAD 702 million, mainly due to the decrease recorded in the level of operating receivables of MAD 578 million and stocks of MAD 57 million.
- Decrease in net cash of MAD 238 million from a decline in consolidated working capital of MAD 543 million combined with the drop in the consolidated working capital requirement for an amount of MAD 305 million.
- Increase in consolidated group share equity of MAD 31 million, which is mainly attributed to the recognition of Group net share income on December 31, 2020 of MAD 880 million, as well as by the distribution of dividends of MAD 849 million from TAQA Morocco.
- Increase in financing debts of MAD 407 million, mainly from the drawdown of the debt relating to the additional right of use of MAD 1.5 billion as well as by repayments for the year.

MANAGEMENT REPORT

4. INVESTMENTS UNDERTAKEN IN THE CURRENT FINANCIAL YEAR

Consolidated investments for financial year 2020 totaling MAD 1,888 million

	MAD, millions
Additional legal rights relating to the extension of the PPA for Units 1 to 4	1,500
Unit maintenance projects	217
Investments related to the operation of Units 1 to 4	43
Investments related to the operation of Units 5 to 6	20
Other investments	109
Total	1,888

5. FORESEEABLE DEVELOPMENTS AND FUTURE PROSPECTS

- Maintain the operational performance of Units 1 to 6 by achieving availability levels in line with forecasts
- Pursue continuous improvement process through:
 - Hygiene, Health, Safety & Environment policy in compliance with international standards;
 - Human Resources policy;
 - Optimization of maintenance operating costs;
 - Improving the functionalities of the Information Technology System.

6. SUBSIDIARIES

The Company holds 66% of the share capital of JLEC 5&6, a company with an Executive Board and a Supervisory Board whose activity relates to the operation of Units 5 and 6. Information relating to JLEC 5&6 appears in Appendix 2.

7. ACCOUNTS PAYABLE BALANCE SCHEDULE

In accordance with the provisions of Law 32-10 supplementing Law No.15-95 forming the Commercial Code, the breakdown on December 31, 2020 of the balance of debts towards suppliers by due date (MAD, million):

Closing Date	Amount of supplier debts	Debts due within 30 days	Debts due between 31 and 60 days	Debts due between 61 and 90 days	Debts due over 90 days
December 31, 2020	297	276	0	0	20

8. OTHER MANDATES OF THE MEMBERS OF THE SUPERVISORY BOARD ("SB")

Members of the TAQA MOROCCO Supervisory Board	AUTRES MANDATS		
	Jorf Lasfar Energy Company 5&6 SA with Executive Board and SB RC Casablanca 267.069	Taqa North Africa SCA RC El Jadida 2.147	Taqa Morocco Wind Corporation SA RC Casablanca 193.055
Mr. Saeed Hamad Obaid Abuqata Al Dhaheri (Chairman of the Supervisory Board)		Permanent representative of «Abu Dhabi National Energy Company PJSC» legal entity member of the Supervisory Board	
S.E. Khaleefa Ali Mohamed Abdulla Alqamzi (Vice-Chairman of the Supervisory Board)			
S.E. Saqer Salem Mohamed Binham Alameri			
Abu Dhabi National Energy Company PJSC (TAQA) represented by Mr. Mohammed Abdulla Falah Jaber Al Ahbabi		Legal entity member of the Supervisory Board Mr. Mohammed Abdulla Falah Jabbers Al Ahbabi permanent representative of «TAQA Generation LLC» legal entity member of the Supervisory Board	Mr. Mohammed Abdulla Falah Jaber Al Ahbabi, Chairman of the Board of Directors
Abdulaziz Mohamed Abdulla Alobaidli Alhammedi			Member of the Board of Directors
Hamad Abdulla Mohamed Alshorafa Al Hammadi			
Mr. Vivek Gambhir	Member of the Supervisory Board	Permanent representative of «TAQA Generation International Operating Company» legal entity member of the Supervisory Board	

9. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

(A) Presentation of annual accounts

As a result of the accounts we have presented to you, the Company's profit for the year amounted to MAD 815,667,950.70.

(B) Allocation of annual income

We suggest that you allocate and distribute the net income on December 31, 2020 as follows:

1. Net profit on December 31, 2020	(a) = MAD 815,667,950.70
2. Legal reserve	(b) = MAD 0
3. New balance:	(c) = (a) - (b) = MAD 815,667,950.70
To which is added:	
4. Previous retained earnings =	MAD 0.00
5. Other reserves (Optional reserve)	(d) = MAD 21,232,475.53
6. Profit available for distribution	(e) = (c) + (d) = MAD 836,900,426.23
7. Dividends	(f) = MAD 35 X 23,588,542 shares = MAD 825,598,970*
8. Balance to be allocated as an optional reserve	(g) = (e) - (f) = 11,301,456.23 Dirhams

** Dividends will be paid no later than July 23, 2021.

We kindly ask you to approve this allocation.

The presentation rules and valuation methods used to prepare these documents comply with the regulations in force and are identical to those adopted for previous years.

(C) Approval of the agreements referred to in Articles 95 et seq. of Law No. 17-95 on public limited companies as amended and supplemented by Law No. 78-12

We inform you that the following agreements, concluded during previous years and whose execution continued during the fiscal year ended December 31, 2020, have been brought to the attention of the Statutory Auditors in accordance with the legal provisions in force:

- Agreement entitled Operation and Maintenance Agreement, operation and maintenance contract concluded with JLEC 5&6 and TNA;
- IPFPA protocol entitled Shared Facilities Insurance Proceeds Application Protocol, contract for processing insurance products for joint parties, between JLEC and JLEC 5&6 in the presence of TNA;
- Agreement entitled Equity Parties Agreement between TAQA, JLEC, JLEC 5&6, TAQA Power Ventures BV, TAQA International BV and the credit agent of the backers of JLEC 5&6 signed on June 20, 2012;
- Agreement entitled Operation and Maintenance Agreement, operation and maintenance contract signed between JLEC and CMS MOPCO (now TNA).
- Agreement entitled Inter-Project Funding Providers Agreement ("IPFPA") signed on January 10, 2013 between JLEC, JLEC 5 and 6 and the loan officers of JLEC and JLEC 5&6;
- Agreement entitled Support Services Agreement between the Company and JLEC 5&6 signed on January 28, 2013;
- Agreement entitled Support Services Agreement between the Company and TAQA North Africa S.C.A. («TNA») signed on February 22, 2013.

In accordance with Law No. 78-12 amending and supplementing Law No. 17-95 relating to public limited companies, it is brought to the attention of the Supervisory Board that the company TAQA Morocco has entered into transactions during the 2020 financial year for current operations with Group entities as follows:

- Re-invoicing, by TAQA Morocco to JLEC 5&6, for water and electricity costs consumed by Units 5 and 6 and born by TAQA Morocco;
- Re-invoicing, by TAQA North Africa to TAQA Morocco, of the charges for common installations supported by TAQA Morocco;
- Re-invoicing, by TAQA Morocco to JLEC 5&6, of its share in the screening campaign and medical assessment linked to COVID-19;
- Re-invoicing, by Abu Dhabi National Energy Company PJSC ("TAQA") to TAQA Morocco of charges related to the costs of business travel abroad.

MANAGEMENT REPORT

10. PROPOSED RESOLUTIONS

The resolutions that we are submitting to you correspond to our proposal.

We hope that they will have your approval and ask you to kindly give the Executive Board discharge for its management and the Statutory Auditors discharge for the performance of their mission during the past financial year.

Your Statutory Auditors provide the general report of the accomplishments during the said financial year.

Done in Casablanca, March, 11, 2021

In two (2) original copies

Abdelmajid Iraqui Houssaini
Chairman of the Management Board

APPENDIX 1

Subsidiaries (Holding more than half of the capital)	Percentage held at year-end (%)
Jorf Lasfar Energy Company 6&5 S.A	66



APPENDIX 2 - INFORMATION RELATING TO THE ACTIVITY AND RESULTS OF JLEC 5&6 FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2020

1. CTIVITY OF THE COMPANY DURING THE PAST FINANCIAL YEAR

■ 1.1 Economic conditions:

a) Changes in USD/MAD parity

The average USD/MAD parity rose slightly by 0.5% to 9.63 in 2020 from 9.58 in 2019.

b) Changes in coal prices

The average purchase price experienced a significant decrease in 2020 reaching an average price of 71 USD/MT compared to an average price of 81 USD/MT following the change in prices on the international market.

c) Coal purchases

The JLEC 5&6 company proceeded in 2020 with the purchase of a total quantity of coal of 1,811,421 tons, intended for the operation of Units 5 and 6 compared to 1,911,026 tons in 2019, taking into account the completion of the major overhaul of Unit 5.

■ 1.2 Power plant activity

The power plant's activity was marked by the following main facts:

- Safety: good performance in terms of safety at work with the absence of a reported Lost Time Accident despite the increase in the number of working hours from 958,459 hours from October 1, 2018 to September 30, 2019 to 986,869 hours from October 1, 2019 to September 30, 2020 following completion of the major overhaul of Unit 5
- An availability level of Units 5 and 6 between October 1, 2019 and September 30, 2020 of 88.11%
- The completion of the major overhaul of Unit 5 from September 28, 2019 for a period of 68 days
- Obtaining the agreement of the lenders of the JLEC 5&6 company for several amendments to the financing agreements relating to:
 - Authorization of refinancing of the debt of the TAQA Morocco company, carried out in September 2020 through a bond issue by private placement in the amount of MAD 2.7 billion
 - Easing restrictions on cash surplus investments at the JLEC 5-6 company
 - Simplification of the pledging process relating to insurance and reinsurance policies;
 - The reduction in the interest rate relating to the MAD facility to 4.80% from 5.50% as of October 1, 2020.

2. SIGNIFICANT EVENTS SINCE THE END OF THE LAST FINANCIAL YEAR

No significant event has occurred since the closing date of the 2020 financial year.

3. PRESENTATION OF THE ANNUAL ACCOUNTS

During the financial year ended September 30, 2020 the JLEC 5&6 company achieved a net profit of MAD 740,866,450.62, this result being as follows:

- Operating income	: MAD 1,550,782,748.74 [a]
- Financial income	: MAD (385,578,366.49)[b]
- Non-current income	: MAD (34,323,370.63)
- Corporate tax	: MAD (390,014,561.00)
- Net earnings	: MAD 740,866,450.62

[a]: The operating income comes from the operating margin generated by invoicing for electric energy for a total amount of MAD 1,978,683,474.37, less allowances for depreciation and provisions for the year for a total amount of MAD 427,900,725.63;

MANAGEMENT REPORT

3. PRESENTATION OF THE ANNUAL ACCOUNTS (Continued)

b]: The financial income of the company comes from interest on loans, foreign exchange losses and gains on operating debts as well as income from cash investments.

Interest charges:	MAD (379,970,350.99)
Net foreign exchange losses:	MAD (20,460,398.33)
Income from investments of excess cash:	MAD 14,852,382.83

[c]: Non-current income is mainly composed of the social solidarity contribution for the 2019 financial year for an amount of MAD 34,161,536.25.

4. INVESTMENTS UNDERTAKEN IN THE PAST FINANCIAL YEAR

During financial year 2020, the JLEC 5&6 company made a global investment of MAD 159 million including:

- The investment relating to the major overhaul of Unit 5 of MAD 132 million. Note that this amount is added to the cost of MAD 18 million incurred in 2019, thus bringing the total cost of the major overhaul to an amount of MAD 150 million;
- The installations and fittings coming within the framework of operations and maintenance of the equipment of Units 5 and 6 for a total amount of MAD 27 million.

5. MATURITY OF DEBTS AND RECEIVABLES FOR THE PAST YEAR

In accordance with Law 32-10, the age of the debts of the JLEC 5&6 company on September 30, 2020 is as follows:

- Due dates of debts as of September 30, 2020:

	(A) Amount of trade payables at closing A=B+C+D+E+F	(B) Amount of outstanding debts	Montant des dettes échues			
			(C) Debts due within 30 days	(D) Debts due between 31 and 60 days	(E) Debts due between 61 and 90 days	(E) Debts due over 90 days
Closing date year N	316,352,311.77	311,527,070.71	1,316,677.45	1,762,139.43	1,746,424.18	-

6. FORESEEABLE DEVELOPMENTS AND FUTURE PROSPECTS

- Maintain the operational performance of Units 5 to 6 by achieving availability levels in line with forecasts in the particular context of the COVID-19 pandemic
- Carry out the major overhaul of Unit 6 (in 2021) in accordance with the budgets and deadlines identified and by covering all the work falling within the framework of these overhauls, including the work to lift reservations
- Pursue the continuous improvement process through:
 - Hygiene, Health, Safety & Environment policy
 - Human Resources policy
 - Optimizing the efficiency of coal consumption
 - Optimization of maintenance operating costs and expansion of supply to Asia
 - Optimization of the use of the information system
 - Delivering preventive maintenance projects

7. OTHER MANDATES OF THE MEMBERS OF THE SUPERVISORY BOARD ("SB")

In accordance with article 142 of Law No. 17-95 as amended and supplemented by Law No. 20-19, the list of mandates of the members of the Company's SB in other Boards of Directors or Supervisory Boards is as follows:

Other mandates	Member of the Company Supervisory Board		
	Mr. Saeed Hamad Obaid Abuqata Aldhaheiri	Mr. Saeed Rashed Ali Hamad Alderei	Mr. Vivek Gambhir
TAQA Morocco SA with Executive Board and SB - RC El Jadida 2.145	Member of the SB	None	Member of the SB
Taq North Africa SCA - RC El Jadida 2.147	permanent representative of a legal entity member of the SB	None	permanent representative of a legal entity member of the SB

8. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

(A) Presentation of the annual accounts

As a result of the accounts TAQA Morocco presented, the Company's profit for the year amounted to **MAD 740,866,450.62**.

(B) Allocation of annual income

We suggest to allocate and distribute the net income on September, 30, 2020 as follows:

9. Net profit at 30 September 2020	(a) =	740,866,450.62	Dirhams.
10. Legal reserve	(b) =	00.00	Dirhams.
11. New balance:	(c) = (a) - (b) =	740,866,450.62	Dirhams.

To which is added:

12. Previous retained earnings	=	0.00	Dirhams
13. Previous optional reserves	(d) =	1,128,537,575.47	Dirhams
14. Profit available for distribution	(e) = (c) + (d) =	1,869,404,026.09	Dirhams
15. Dividends	(f) =	700,000,000.00	Dirhams
16. Balance to be allocated as optional reservations	(g) = (e) - (f) =	1,169,404,026.09	Dirhams

We kindly ask for this allocation approval.

(C) Approval of the agreements referred to in Articles 95 et seq. of Law No. 17-95 on public limited companies as amended and supplemented by Law No. 20-05

No new agreement of the kind referred to in Article 95 of Law 17-9 was entered into during the fiscal year ended September 30, 2020.

In addition, the following agreements concluded during previous years and whose execution continued during the fiscal year ended September 30, 2020, have been brought to the attention of the Statutory Auditors in accordance with the legal provisions in force:

- Agreement entitled Inter-Project Funding Providers Agreement («IPFPA») signed on January 10, 2013 as amended and completed on July 16, 2020 between TAQA MOROCCO SA, JLEC 5&6 and the credit officers of TAQA MOROCCO SA and JLEC 5&6
- Agreement entitled Subordinated Loan Agreement between the Company and TAQA International BV signed on January 22, 2013
- Agreement entitled Support Services Agreement between the Company and TAQA MOROCCO S.A. signed on January 28, 2013
- Agreement for the re-invoicing of consulting, travel and other expenses incurred by Abu Dhabi National Energy Company PJSC ("TAQA") on behalf of the Company
- Agreement entitled Operation and Maintenance Agreement concluded with TAQA MOROCCO S.A., TNA and ONEE
- Agreement entitled Equity Parties Agreement ("EPA") between TAQA, TAQA MOROCCO S.A., JLEC 5&6, TAQA Power Ventures BV, TAQA International BV and the credit agent of the backers of JLEC 5&6

MANAGEMENT REPORT

8. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING (Continued)

- Protocol entitled Shared Facilities Insurance Proceeds Application Protocol ("SFIPAP") between JLEC 5&6 and TAQA MOROCCO SA and in the presence of TNA.
- Sub-lease contract concluded on 01 August, 2019 between the Company as a lessee credit with the TAQA North Africa company, sub-lessee.
- Sub-lease contract concluded on 01 August, 2019 between the Company as a lessee credit with the TAQA Morocco Wind Corporation company, sub-lessee.

In accordance with Law No. 78-12 amending and supplementing Law No. 17-95 relating to public limited companies, it is brought to the attention of the Supervisory Board that the JLEC 5&6 company has entered into transactions during the 2020 financial year for current operations with Group entities as follows:

- Re-invoicing, by TAQA Morocco to JLEC 5&6, for water and electricity costs consumed by Units 5 and 6 and born by TAQA Morocco.
- Re-invoicing, by TAQA North Africa to JLEC 5&6, of the charges for common installations supported by TAQA North Africa.
- Re-invoicing, by Abu Dhabi National Energy Company PJSC ("TAQA") to JLEC 5&6 of charges related to the costs of business travel abroad and other charges borne on behalf of the JLEC 5&6 company.

9. PROPOSED RESOLUTIONS

The resolutions that we are submitting to you correspond to our proposals.

We hope to obtain approval and ask to kindly give the Executive Board discharge for its management and the Statutory Auditors discharge for the performance of their mission during the past financial year.

Your Statutory Auditors describe in their general report the accomplishment of their mission during the said financial year.



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