



CONTINUED OPERATING EXCELLENCE AND ENHANCED FINANCIAL STRENGTH

- ▶ Execution of the low-carbon strategy with creation of renewable energy subsidiary
- ▶ Drop in international coal prices impacts financial results
- ▶ Financial strength and investment capacity supported by MAD 6.6 bn funding to reprofile JLEC 5&6 debt and develop a diversified low-carbon asset base
- ▶ Proposed dividend of 35 MAD per share
- ▶ Strengthening of sustainability commitments and value creation

The Management Board of TAQA Morocco, chaired by Mr Abdelmajid IRAQUI HOUSSAINI, met on February 23th, 2024 to approve the statutory and consolidated financial statements for the year ended December 31st, 2023.

CONSOLIDATED KEY FIGURES IN MAD MILLIONS

Cumulative figures	31/12/2023	31/12/2022	Variance in value	Variance in %
Revenue	13,191	13,604	(413)	-3.0%
EBITDA	3,559	3,730	(171)	-4.6%
Operating income	2,708	2,913	(205)	-7.0%
Net financial income	(584)	(381)	(203)	-53.2%
Consolidated net income	1,349	1,677	(327)	-19.5%
Net income, Group share	1,037	1,303	(265)	-20.4%
Net debt	5,522	6,171	(649)	-10.5%
Net debt/EBITDA	1.6x	1.7x		
Investments	328	242	86	35.7%
Quarterly figures	Q4 2023	Q4 2022	Variance in value	Variance in %
Revenue	2,760	3,859	(1,100)	-28.5%
Investments	214	123	91	74%

(* At December 31, 2023, the financial statements of JLEC 5 & 6 taken into account for consolidation correspond to the period from October 1, 2022 to September 30, 2023, in accordance with the consolidation methods adopted by the TAQA Morocco Group.

DROP IN INTERNATIONAL COAL PRICES

2023 was characterised by the significant decline in international coal prices after the exceptional rise during 2021-2022.

SOLID OPERATING PERFORMANCE

In 2023, TAQA Morocco continued to improve the operational efficiency across all units as well as the optimization of its maintenance processes. This momentum was ensured by further investment and development in the know-how and expertise of all the staff at TAQA Morocco.

These efforts allowed us to maintain the overall availability rate at 93.7%, largely stable compared to the 93.9% in 2022.

This performance reflects the positive impact of the ramp-up in TAQA Morocco's preventive maintenance program, and thereby enabled us to manage efficiently the minor overhauls of units 1 and 5.

For the fourth quarter of 2023, the overall availability rate was 89.6% following the scheduled minor overhaul of Unit 1, as compared to 92.1% in Q4 2022.



FINANCIAL RESULTS

TAQA Morocco consolidated revenue totaled MAD 13,191 million in 2023, resulting from the impact of lower coal prices which was largely offset by the solid operating performance of the plant's six units.

As a result, TAQA Morocco's EBITDA amounted to MAD 3,559 million, a performance above past average levels.

The recognition of an exceptional foreign exchange loss due to the change in the USD/MAD exchange rate impacted Group net income, which totaled MAD 1,037 million for the year, compared with MAD 1,303 million in 2022.

HIGHER INVESTMENTS

Capital expenditure rose by 35.7% compared with 2022, to MAD 328 million. These investments mainly comprised of minor overhauls of Units 1 and 5, as well as operational and maintenance projects.

ENHANCED FINANCIAL STRENGTH AND INVESTMENT CAPACITY

At December 31, 2023, net debt was down by 10.5% to MAD 5,522 million, thereby improving the leverage ratio (1.6x vs. 1.7x in 2022).

The improvement in net debt follows the refinancing initiative to reprofile the debt of the JLEC 5&6 subsidiary. This initiative involved raising MAD 6.6 billion with Moroccan banks, extending maturity to 2042.

This strategy aims to support the deployment of low-carbon energy projects and water desalination projects, marking the beginning of a significant transformation of TAQA Morocco's economic model and financial structure.

STRONG GROWTH IN STATUTORY ACCOUNTS

The reprofiling of JLEC 5&6's debt enabled the subsidiary's financial structure to be optimized, freeing up additional financial resources and strengthening its dividend distribution capacity. This has resulted in a 150% rise in TAQA Morocco's net income to MAD 2,346 million versus MAD 940 million in 2022.

CREATION OF A SUBSIDIARY FOCUSED ON RENEWABLE ENERGY

TAQA Morocco has created TAQA Morocco Green Energy (TMGE) to focus on the low-carbon energy development projects.

DIVIDEND

The Management Board proposes that the Annual General Meeting approve the distribution of a dividend of 35 dirhams per share. This dividend is in line with TAQA Morocco's financial policy and its payout levels in previous years.

STRENGTHENING SUSTAINABILITY COMMITMENTS AND VALUE CREATION

TAQA Morocco has adopted an ambitious CSR strategy that goes beyond its role as an energy producer, by positioning itself as a key partner in the economic ecosystem in the energy transition. This strategy is based on three fundamental pillars: preservation of the environment, employee well-being and fulfillment, and strict compliance with ethical and governance standards. Commitment to communities is at the heart of TAQA Morocco's approach to sustainability, embodied in its TAQA Morocco for Community policy.

OUTLOOK

TAQA Morocco continues to deliver on its strategic priorities. This includes strengthening its operational excellence, maximizing production cost efficiency, and realizing its strategy to establish a diversified portfolio of 1,000 MW of low-carbon energy capacity by 2030, as well as seawater desalination development.

About TAQA Morocco

TAQA Morocco is the first private electricity producer in Morocco. Created in 1997, the company is the result of the Kingdom of Morocco's desire to strengthen its energy mix in order to provide the resources necessary for its industrialization and economic development.

TAQA Morocco operates the largest independent coal-fired power plant in the Africa and Middle East region. An industrial infrastructure of 6 Units totalling 2,056 MW and ranked in the top quartile of the best power plants in the world according to a global benchmark of thermal power plants of equivalent size.

Listed on the Casablanca Stock Exchange since December 2013, TAQA Morocco contributes to nearly 38% of the national electricity demand for 19% of the installed capacity, and is positioned as a reference energy operator in Morocco in terms of know-how and business expertise

Subsidiary of Abu Dhabi National Energy Company «TAQA»

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