

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

Gearing of 55%

Working capital needs of MAD 958 million

Balanced capital structure

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

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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