

All our energy
to brighten the
Morocco
of tomorrow

ANNUAL
FINANCIAL
REPORT
2023



CONTENTS

Founded in 1997, TAQA Morocco is the country's leading independent power producer (IPP). The company sits at the very heart of Morocco's strategy to build diverse energy sources set to drive its growth and industrialization.

TAQA Morocco delivers 35% of the nation's electricity from 18% of installed capacity. Listed on the Casablanca Stock Exchange since December 2013, TAQA Morocco is positioning itself as a benchmark energy operator in Morocco, with the ambition of supporting the low-carbon strategy of the Moroccan energy mix and the national water plan.

TAQA MOROCCO, PARTNER OF THE ENERGY TRANSITION OF THE KINGDOM

- 08 TAQA Morocco in a nutshell
- 10 Benchmark power generation and low carbon outlook
- 12 Moroccan IPP leader for over 26 years
- 14 TAQA, a global leader in energy transition
- 16 A value-creating model serving Morocco's energy mix
- 18 A development strategy combining performance and sustainability
- 20 Historical expertise in the development of major strategic projects



BUSINESS REVIEW

- 24 Reinforced operational efficiency
- 26 Development of renewable energy projects
- 27 Accelerated digitalization of TAQA Morocco's businesses
- 29 Improved financial indicators and enhanced financial strength



ESG REPORT

- 34 TAQA Morocco : a model for long-term shared value generation
- 40 Preserving resources and protecting the environment: major priorities for TAQA Morocco
- 48 TAQA Morocco's talents, a source of sustainability and performance
- 60 Responsibility and commitment: two cornerstones of TAQA Morocco's governance
- 74 A player in community development and positive social impact



ANNUAL ACCOUNTS & REPORTS

- 48 Management report
- 62 Corporate accounts
- 78 Consolidated accounts
- 84 Statutory accounts



TAQA MOROCCO CHAIRMAN'S MESSAGE



**Mr. Abdelmajid
IRAQUI HOUSSAINI**

CHAIRMAN OF THE MANAGEMENT BOARD
TAQA MOROCCO

2023 at TAQA Morocco was marked by significant achievements in our vision of sustainability and involvement in Morocco's energy transformation. Our plan, based on five pillars and divided into 25 operational objectives, continues to steer our pursuit of excellence and innovation. It is currently reinforced by the adoption of a sustainability roadmap built on three strategic pillars: environmental preservation, employee protection and development, and adherence to ethical principles and governance standards. This roadmap is underpinned by our commitments to our stakeholders called TAQA Morocco For Community.

Our commitment to operational excellence is clearly illustrated by the thermal power plant maintenance programme, where we have advanced our transformation by using artificial intelligence technologies for predictive maintenance. This strategic initiative strengthens our position in the world's top ten in terms of technical performance. This has allowed us to maximize equipment availability while minimizing downtime, cementing our position as Morocco's industry and energy production leader. Indeed, we have taken important strides toward Industry 4.0 by automating critical activities and implementing cutting-edge technology to optimize resource management. The digitization of support services has also improved our ability to facilitate the transition to a culture of performance and continuous improvement.

2023 also marked a significant milestone in our ambitious diversification plan. We successfully raised MAD 6.6 billion with a pool of Moroccan banks allowing us to reprofile our debt until 2042, bolstering our financial strength and funding to build a portfolio of diverse, low-carbon assets. To complement our decarbonization goals, we established TAQA Morocco Green Energy, a company committed to the development of renewable energy projects.

2023 will also be remembered as a year of consolidation for our commitments to sustainability and positively impacting our stakeholders. Reducing our carbon intensity extends beyond our role as an energy producer and is embedded in our day-to-day operations, through a focused waste management policy and the protection of natural resources, most notably water, for which we have established a closed circuit for reuse. Our dedication to employees grew significantly this year, as we reinforced the integration of safety into our corporate culture while increasing our programs to enhance their talents, promote inclusivity, and create long-term career prospects. Our desire to

“

producing energy that enlightens, sustains, and enriches future generations, energy that will make tomorrow Morocco brighter

”

contribute to the Kingdom's social development has driven the implementation of our TAQA Morocco for Community strategy, which includes all of our efforts aimed at having a direct and long-lasting impact on the quality of life of our residents.

We pursue our quest for excellence and sustainability with unflinching commitment, while acknowledging our critical role in producing energy that enlightens, sustains, and enriches future brighter generations, energy that will make tomorrow's Morocco brighter.

01

INTRODUCTION TO TAQA MOROCCO



TAQA Morocco in a nutshell

TAQA Morocco was founded in 1997 and has since become a frontrunner in the country's effort to meet its energy production targets. Being a leader in Morocco's power generation sector, TAQA Morocco is eager to assist Morocco's switch to low-carbon energy sources. TAQA Morocco draws on its unique know-how as a longstanding energy producer in the country, its solid financial profile, as well as being part of TAQA Group, a world leader in the generation, transmission, and distribution of both electricity and water.

VALUES AT THE HEART OF OUR ORGANIZATION



Security/Safety



Sustainability



Excellence



Collaboration



Innovation



TEAM HEALTH AND SAFETY

The health and safety of TAQA Morocco's employees is at the heart of our corporate culture. To this end, we have implemented measures to promote workplace well-being, as well as skill development programs and an accident-prevention policy.



ENVIRONMENTAL PROTECTION

TAQA Morocco has built cutting-edge infrastructure that fulfills international requirements while reducing air emissions through the use of desulphurization technology and low-sulphur coal.



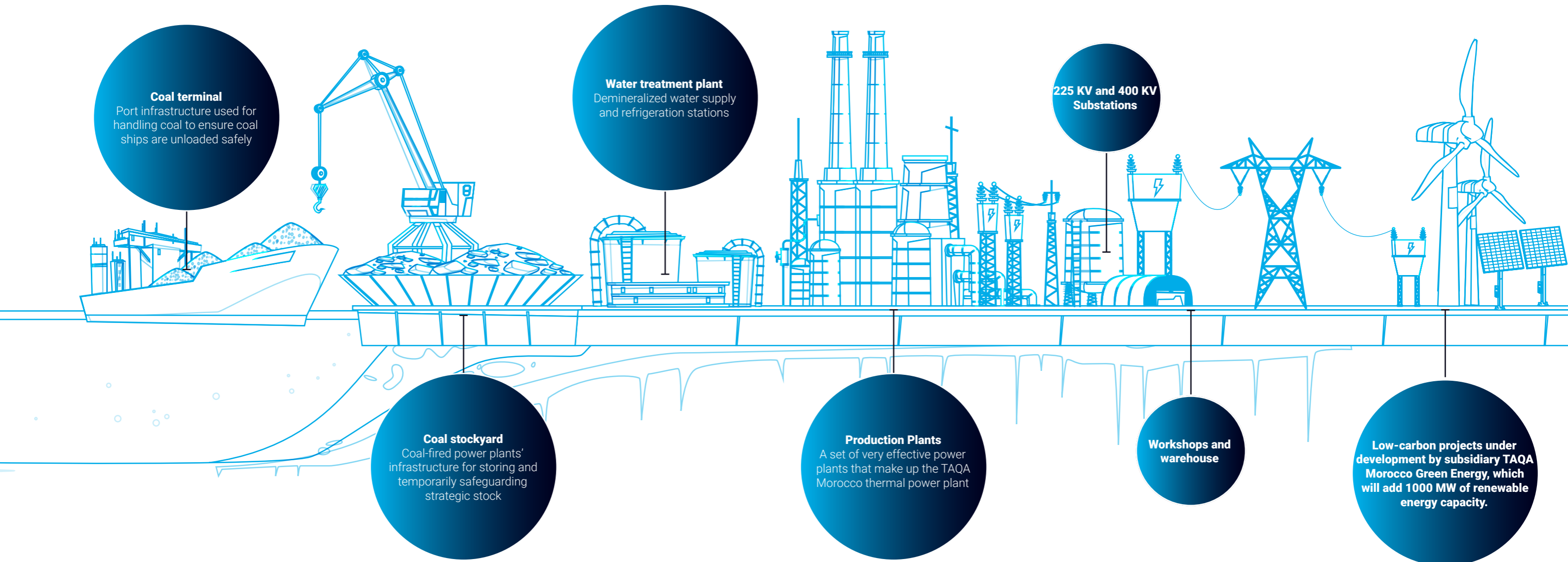
ECONOMIC & SOCIAL DEVELOPMENT

TAQA Morocco is dedicated to the promotion of health, education, and the environment in its surrounding communities, deploying medical caravans in numerous Moroccan regions and expanding educational access through a variety of activities.

Benchmark power generation and low carbon outlook

TAQA Morocco is the most prominent Moroccan IPP, operating the Jorf Lasfar thermal complex, one of the world's most efficient and recognized facilities boasting six generating units with a combined capacity of 2,056 MW. The power plant represents 18% of Morocco's energy capacity and by supplying 35% of electricity plays a key role in assuring Morocco's energy production independence.

In line with the country's long-term goals, TAQA Morocco will unwaveringly support the national water strategy and the shift to a low-carbon energy mix. A subsidiary of TAQA Morocco has been established with the purpose of developing a number of low-carbon projects throughout the Kingdom.



2,056 MW

Installed Capacity

+30 Bn MAD

Investments since 1997

35%

Share of national electricity supply

93.7%

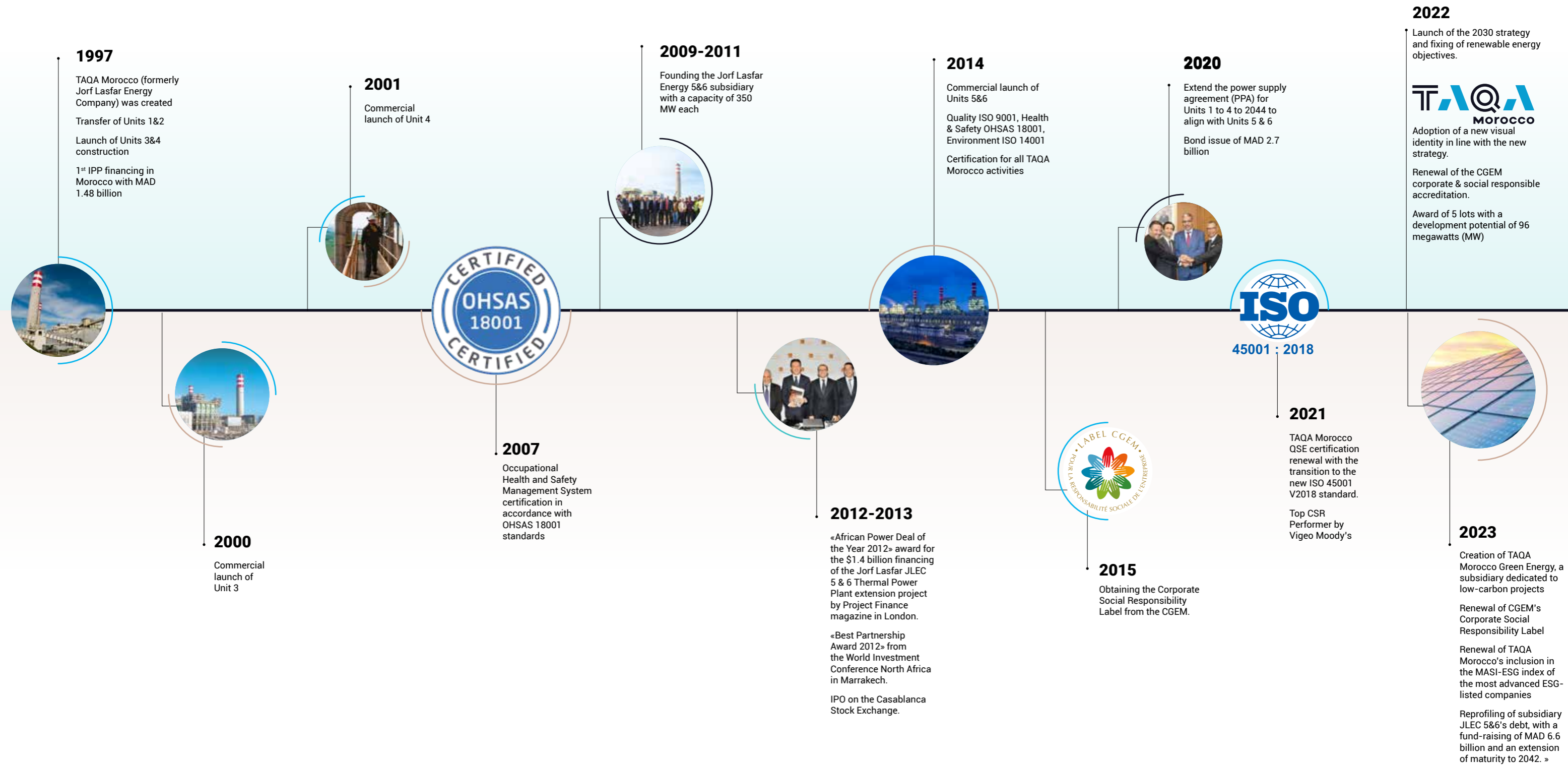
Availability rate

441

Employees

Moroccan IPP leader for over 26 years

Since 1997, TAQA Morocco has been supporting Morocco's growth with an infrastructure capable of continuously supplying electrical energy at the best cost, while ensuring the protection of the environment and being responsive to its stakeholders. After the commissioning of units 1 & 2 in 1997, with an initial capacity of 660 MW, and the construction of units 3 & 4, commissioned in 2000 and 2001 respectively, bringing the overall capacity to 1,356 MW, TAQA Morocco undertook the development of units 5 & 6. This last investment required a multi-currency financing of USD 1.6 billion to bring the installed capacity to 2,056 MW. In 2022, TAQA Morocco started the roll-out of its diversification strategy towards low-carbon energies, as part of its 2030 strategy.



TAQA, PARTNER FOR CHANGE

Unlocking Value for a Sustainable Future

OUR PURPOSE

Powering a thriving future by efficiently providing sustainable and reliable energy and water to unleash the unlimited potential of people and places.

OUR VISION

To provide the clean power and water that governments, businesses and consumers need for a sustainable and successful life.

OUR MISSION

Be a low carbon power and water champion.

TAQA is a fully integrated and diversified utilities and energy group, creating value through power and water generation, transmission and distribution and upstream and midstream oil and gas operations.

Headquartered in Abu Dhabi, TAQA owns and/or manages assets in Canada, Ghana, India, Iraq, Morocco, Netherlands, Oman, Saudi Arabia, the United Kingdom, the United States and at home in the United Arab Emirates. Listed on the Abu Dhabi Securities Exchange (ADX: TAQA), TAQA is a leading integrated utility in the EMEA region and one of the largest in the world by market capitalisation.



24.15 GW
Gross operating power generation capacity (including 3.4 GW under construction)

16.53 GW
Capacity from Renewable Resources

+6,852
Employees

1,250 MIGD
Desalination capacity in the UAE (including 190 MIGD under construction)

+100,000 km
of water pipelines and power networks

11
countries of presence

POWER GENERATION ASSETS

- SHUWEIHAT S1**
Combined-cycle power plant and water desalination facility.
• Gross power capacity: 1.6 GW
• Gross water desalination capacity: 101 MIGD
• TAQA (60%), ENGIE (20%) and Sumitomo (20%)
- SHUWEIHAT S2**
2 power and water desalination blocks, each comprising two gas turbines, one steam turbine and three multi-stage distiller units.
• Gross power capacity: 1.6 GW
• Gross water desalination capacity: 101 MIGD
• TAQA (60%), ENGIE (20%), Marubeni (10%) and Osaka Gas (10%)
- SHUWEIHAT S3**
Combined-cycle power plant comprising two power blocks consisting of two gas turbines, one steam turbine and two dual-pressure heat recovery steam generators (HRSG).
• Gross power capacity: 1.6 GW
• TAQA (60%), Sumitomo (20.4%) and KEPCO (19.6%)
- MIRFA INTERNATIONAL POWER AND WATER**
Combined-cycle gas turbine power plant that comprises three gas turbines, three heat recovery steam generators and two steam turbines, along with a modular reverse osmosis plant and three multistage flash desalination units.
• 1.7 GW of electricity
• 53 MIGD of desalinated water
• TAQA (60%), ADFG (20%) and ENGIE (20%)
- UMM AL NAR**
Combined-cycle gas-fired power plant and water desalination facility.
• Gross power capacity: 2.3 GW
• Gross water desalination capacity: 96 MIGD
• TAQA (60%), ENGIE (20%) and Jera (20%)
- TAWEELAH A1**
Combined-cycle power plant and thermal-based water desalination facility.
• Gross power capacity: 1.7 GW
• Gross water desalination capacity: 84 MIGD
• TAQA (60%), ENGIE (20%) and Total (20%)
- TAWEELAH B**
Independent Power and Water Desalination Plant.
• Three distinct power generation and desalination facilities, including simple, open and combined-cycle gas turbines and multi-stage flash distillation
• Gross power capacity: 2.2 GW
• Gross water desalination capacity: 162 MIGD
• TAQA (70%), Marubeni (14%), Powertek (10%) and Kyuden (6%)
- FUJAIH F1**
Power and water plant is a combined-cycle natural gas-fired power plant and hybrid multi-stage flash and reverse osmosis desalination plant. At the time of construction, the plant was the first hybrid desalination plant in the Middle East.
• Gross power capacity: 882 MW
• Gross water desalination capacity: 131 MIGD
• TAQA (60%) and Sembcorp (40%)
- FUJAIH F2**
Combined-cycle power plant and reverse osmosis desalination plant. Fujairah F2 was one of the world's largest IWPP projects at the time of construction.
• Gross power capacity: 2.1 GW
• Gross water desalination capacity: 132 MIGD
• TAQA (60%), ENGIE (20%) and Marubeni (20%)
- NOOR AD**
One of the world's largest single-site solar PV plant when commissioned.
• Gross power capacity: 1.2 GW (940 MW AC)
• TAQA (60%), Marubeni (20%), Jinko Solar (20%)
- AL DHAFRA SOLAR PV IPP PROJECT**
Inaugurated in November 2023, Al Dhafra is one of the world's largest single-site solar PV projects. Nearly 4 million bi-facial solar panels rotate to follow the sun and capture sunlight on both sides.
• Gross power capacity: 2 GW (1.5 GW AC)
• TAQA (40%), Masdar (20%), EDF Renewables (20%) and Jinko Power (20%)

PROJECTS UNDER DEVELOPMENT

REVERSE OSMOSIS DESALINATION PROJECTS

TAWEELAH REVERSE OSMOSIS DESALINATION PLANT

The world's largest reverse osmosis (RO) desalination project with on-site solar generation.
• 200 MIGD of desalinated water
• 69.8 MWp of on-site solar generation
• TAQA (20%), Mubadala (40%) and ACWA Power (40%)

MIRFA 2 REVERSE OSMOSIS

Mirfa 2 Reverse Osmosis (M2 RO) desalination project will be located adjacent to the existing Mirfa 1 Plant, approximately 110 kilometres West of the city of Abu Dhabi.
• 120 million imperial gallons per day (MIGD) of potable water
• Sufficient to meet the water demand of up to 210,000 households in the Emirate of Abu Dhabi
• The plant is expected to begin commercial operation in Q4 2025.
• TAQA (60%) and ENGIE (40%)

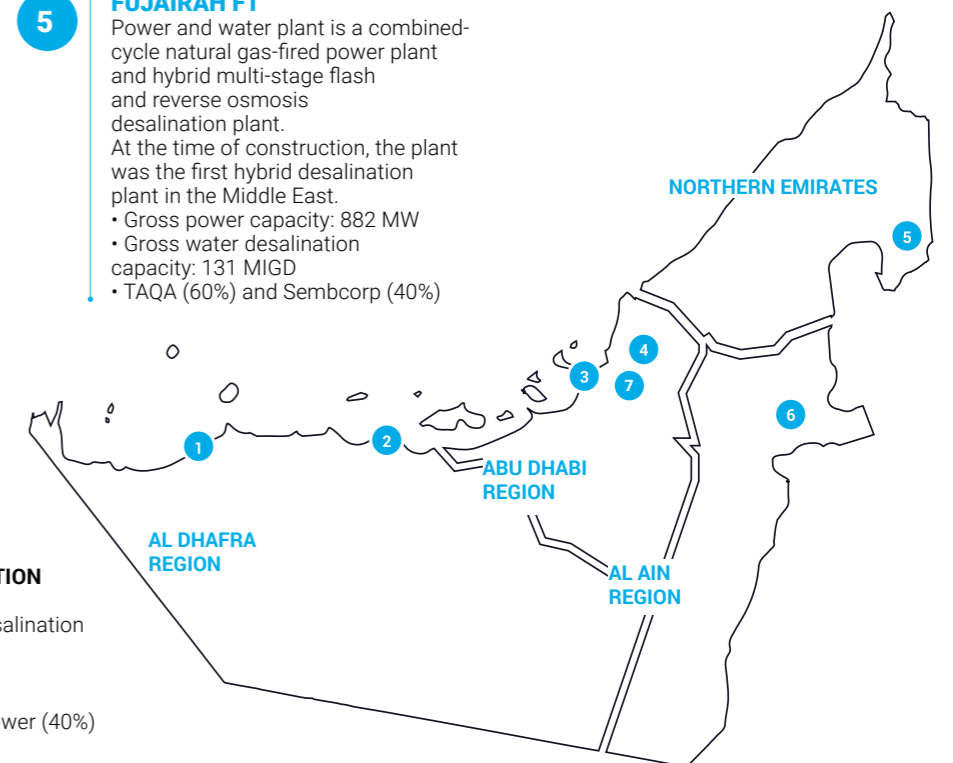
SHUWEIHAT S4 RO DESALINATION PROJECT

• Up to 70 million imperial gallons per day (MIGD) of potable water
• Commercial operations are expected to commence in Q2 2026.
• TAQA (60%) and GS Inima (40%)

POWER GENERATION

FUJAIH F3

Fujairah F3 Combined Cycle Gas Turbine plant that will be the largest independent thermal power plant in the UAE. Fujairah F3 will be in Fujairah's Qidfa area, between the existing Fujairah F1 and Fujairah F2 water and electricity plants.
• 2.4 GW of electricity
• Supplying power to 380,000 households once operational
• TAQA (40%), Mubadala (20%) and Marubeni (40%)



A value-creating model serving Morocco's energy mix

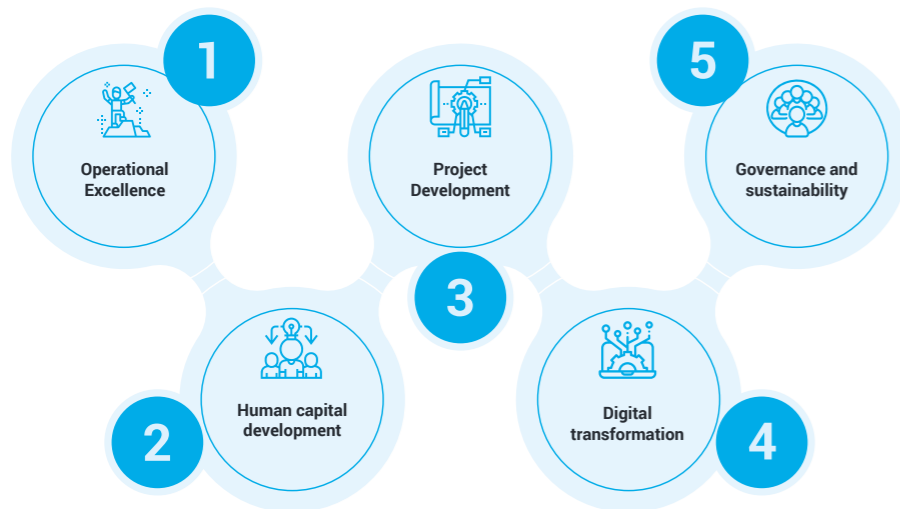
By providing the Kingdom of Morocco with access to its resources, industrial know-how, and human capital expertise, TAQA has developed a value creation model to aid in the country's economic and social development as well as the diversification of its energy supply.

TAQA Morocco values non-financial performance just as highly as industrial ones. It ensures that it is meeting all of its sustainable development commitments through a close monitoring of its CSR indicators.

OUR RESOURCES	OUR APPROACH AND STRATEGIC PILLARS	OUR VALUE CREATION	OUR IMPACT ON SUSTAINABLE DEVELOPMENT										
<p>Our human capital</p> <p>441 employees 35% managers</p> <p>Our material resources</p> <p>Production site of 68 Ha Thermal power plant with 6 units and a capacity of 2,056 MW Coal terminal Coal storage yard Water treatment plant EHV/HV transformer station Ash storage quarry</p> <p>5 lots awarded under the Noor PV II tender (96 MW)</p> <p>Our intangible assets</p> <p>Operation and maintenance contract for units 1 to 6 Power purchase agreement (PPA) Licence to exploit quays 3 and 3 bis of the port of Jorf Lasfar</p> <p>Our financial resources</p> <p>Total assets MAD 22,247 million Equity MAD 7,130 million Operatin cashflow MAD 2,626 million Gearing 40%</p>	<p>POSITIONING & DEVELOPMENT AMBITIONS To help citizens, businesses, and public actors secure their day-to-day growth, we generate energy efficiently and affordably. By leveraging our resources, knowledge, and the dedication of our staff, we have become a leading organization in Morocco and the region.</p> <p>THE PILLARS OF OUR SUSTAINABILITY STRATEGY</p> <p>25% Carbon intensity reduction</p> <p>1,000 MW Additional renewable energy</p> <p>THE PILLARS OF OUR SUSTAINABILITY STRATEGY</p> <table border="1"> <tr> <td data-bbox="578 1312 1023 1564"> <p>PILLAR 1 : Environnement</p> <ul style="list-style-type: none"> Participate in the energy transition Reduce carbon intensity Responsible waste management </td> <td data-bbox="1023 1312 1469 1564"> <p>PILLAR 2 : Social</p> <ul style="list-style-type: none"> Prioritize health and safety at work Human capital development and career support Promote diversity and inclusion </td> <td data-bbox="1469 1312 1914 1564"> <p>PILLAR 3 : Governance</p> <ul style="list-style-type: none"> Solid dual governance Transparency and integrity with stakeholders </td> </tr> </table> <p>THE BASIS OF OUR SUSTAINABILITY COMMITMENT : MOROCCO FOR COMMUNITY</p> <table border="1"> <tr> <td data-bbox="578 1585 1023 1837"> <p>Education Promote access to education</p> </td> <td data-bbox="1023 1585 1469 1837"> <p>Environment Reduce our environmental footprint</p> </td> <td data-bbox="1469 1585 1914 1837"> <p>Health Facilitate access to care</p> </td> </tr> </table> <p>OUR SUSTAINABILITY GOALS</p> <table border="1"> <tr> <td data-bbox="578 1858 949 1986">Contributing to the energy transition</td> <td data-bbox="949 1858 1320 1986">Developing a common culture and anticipating change</td> <td data-bbox="1320 1858 1691 1986">Promoting a responsible value chain</td> <td data-bbox="1691 1858 1914 1986">Contributing to the development of society</td> </tr> </table>	<p>PILLAR 1 : Environnement</p> <ul style="list-style-type: none"> Participate in the energy transition Reduce carbon intensity Responsible waste management 	<p>PILLAR 2 : Social</p> <ul style="list-style-type: none"> Prioritize health and safety at work Human capital development and career support Promote diversity and inclusion 	<p>PILLAR 3 : Governance</p> <ul style="list-style-type: none"> Solid dual governance Transparency and integrity with stakeholders 	<p>Education Promote access to education</p>	<p>Environment Reduce our environmental footprint</p>	<p>Health Facilitate access to care</p>	Contributing to the energy transition	Developing a common culture and anticipating change	Promoting a responsible value chain	Contributing to the development of society	<p>For the environment</p> <p>Share of low-sulfur coal 100% Waste produced & recycled 75% Removal and treatment of 183 tonnes of hazardous waste</p> <p>For employees</p> <p>25 032 hours of training Charter of commitment to employees health and safety Policy for career and skills management CSR Charter for diversity and discrimination prevention « eTaqamMorocco Academy » e-learning platform</p> <p>For community</p> <p>A total budget of MAD 6 million for TAQA Morocco for Community initiatives 24 projects & charitable association supported 32,575 direct and indirect beneficiaries</p> <p>For society</p> <p>Power supply to 15 million citizens 93,7% availability rate of our units 2 200 direct jobs created</p> <p>For shareholders</p> <p>Group net income MAD 1,037 million Dividend yield 3.2% Return on equity 14.5%</p>	<p>The contribution of TAQA Morocco to the sustainable development goals has been translated into a policy of social responsibility which has become an integral part of the company's identity. TAQA Morocco focuses currently on the following 3 SDGs</p> <p>6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>TAQA Morocco also contributes indirectly to the 14 other goals</p> <p>1 NO POVERTY 2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS</p>
<p>PILLAR 1 : Environnement</p> <ul style="list-style-type: none"> Participate in the energy transition Reduce carbon intensity Responsible waste management 	<p>PILLAR 2 : Social</p> <ul style="list-style-type: none"> Prioritize health and safety at work Human capital development and career support Promote diversity and inclusion 	<p>PILLAR 3 : Governance</p> <ul style="list-style-type: none"> Solid dual governance Transparency and integrity with stakeholders 											
<p>Education Promote access to education</p>	<p>Environment Reduce our environmental footprint</p>	<p>Health Facilitate access to care</p>											
Contributing to the energy transition	Developing a common culture and anticipating change	Promoting a responsible value chain	Contributing to the development of society										

Sustainable performance is embedded in the development strategy

In 2022, TAQA Morocco set up a new strategic plan for 2030. The goal of this plan is to strengthen its operational excellence and develop its expertise, as well as to diversify its portfolio by helping the Kingdom of Morocco in its energy transition. The strategic plan has 5 strategic goals that are broken down into 25 operational goals. This new plan also aims to include TAQA's development in a sustainable way to deal with the challenges of sustainable development around the world and in Morocco in particular.



PILLAR 1: OPERATIONAL EXCELLENCE

Keeping our technical performance, Safety & Process Safety, Maintenance Activity Optimization, Coal Consumption Optimization, Production Cost Optimization, and Production Process Improvement in the Top Decile / Quartile of the Industry will help us meet our functional requirements.



PILLAR 2: HUMAN CAPITAL DEVELOPMENT

To ensure a strong human ambition that revolves around employee commitment, it is necessary to strengthen the corporate culture, capitalize on know-how, support training, career management, and transform the way people work.



PILLAR 3: PROJECT DEVELOPMENT

To meet the goals established by the company's new climate plan and to continue to serve the Moroccan energy mix transition by 2025 and 2030, the company is developing projects and portfolio of cross-cutting projects. One such project is the implementation of the program to refurbish units 1 through 4.



PILLAR 4: DIGITAL TRANSFORMATION

Maintaining peak performance necessitates drawing on the knowledge and experience of energy operators, creating synergies across the company's various divisions, and shifting towards truly predictive and preventive maintenance. This will be completed through innovation, digitization, and the realization of synergies in operational processes.



PILLAR 5: GOVERNANCE AND SUSTAINABILITY

To ensure a sustainable development that accounts for the integration of governance objectives, it is necessary to consolidate best practices in corporate governance, perpetuate the risk control system, strengthen the decision-making process by consolidating the steering functions, and management of the ESG strategy.

Historical expertise in the development of major strategic projects

With 26 years of industrial excellence, TAQA Morocco is in the world's top 10 for technical performance excellence, with an average availability of 92.8%. It accounts for 18% of installed capacity in Morocco and meets 35% of domestic demand.



26

years of industrial excellence



92.8%

Average availability rate



35%

of national demand



World's top decile

in technical performance



TAQA Morocco stands out for its unique know-how in the development of large-scale projects, demonstrated by the completion of units 5 & 6 in just 3.5 years, outperforming the 6-year deadline. The Units 5 & 6 project received \$1.4 billion in international multi-currency funding, the largest in Morocco in over a decade, and was named «African Power Deal of the Year» in 2012.



Unique expertise

in the development of large-scale projects



3.5

years vs. 6 years initially planned



1.4\$ bn

in multi-currency international financing raised



Ability to structure and finance on competitive terms



02

BUSINESS REVIEW

Reinforced operational efficiency

“ Our aim is to maximize electricity production in a risk-free setting. For this to come to fruition, it is crucial to engage in ongoing maintenance so that our infrastructures remain reliable and our employees remain safe. The necessity of passing knowledge on to younger generations while making the most of our experience and knowledge is highlighted by the fact that every maintenance operation is different in our industry. Therefore, creating a robust knowledge base and creating a predictive maintenance procedure are two areas where digitization is crucial.”

Mr. Lahcen EL MALZOUMI - Director of the Jorf Lasfar Thermal Power Plant.



TAQA Morocco maintenance cycles at a glance

A unit's maintenance is scheduled on an 8-year cycle that includes three types of shutdowns: a 7-day shutdown for basic inspection, a minor shutdown lasting 21 to 25 days, and a major shutdown lasting 42 days at the end of the cycle.

TAQA Morocco stands out for its ongoing commitment to operational excellence and technological innovation, particularly in the maintenance of its thermal power plant. This ambition has resulted in the implementation of a strategic approach to maintenance, implementing state-of-the-art digital solutions and specialized knowledge to keep equipment running smoothly and efficiently with minimal downtime.

As part of this strategy, Taqa Morocco mobilizes a dedicated team within the Maintenance strategy and Planning department who play a central role in defining the exact scope of each maintenance operation. It specifies in great detail what needs fixing, what parts are needed, and who needs to be called upon for assistance. Moreover, these plans ensure a thorough and proactive maintenance strategy by incorporating mitigation methods like micro-repair and reverse engineering.

TAQA Morocco's e-monitoring centre is also expanding significantly as a result of the implementation of artificial intelligence technology. This unique approach enables the transition from corrective to predictive maintenance, allowing shutdowns to be planned and necessary interventions to be anticipated. TAQA Morocco can detect early warning indications of failure and alter its maintenance program by constantly monitoring the status of equipment - i.e. turbine generators. With its use of the latest innovative technologies for data analysis and infrastructure monitoring, the company has now become the frontrunner of digital transformation in Morocco. The initiative has been marked by ground-breaking projects, such as the predictive device for electric motors, which integrates various data and performance measurements to accurately (and preventively) diagnose the condition of critical equipment.



93.7%

Overall availability rate



14,882 Gwh

Power generation



A reverse engineering approach to optimize plant performance and improve maintenance cycles

This innovative approach was adopted to optimize maintenance operations. By investing in reverse engineering, TAQA Morocco has acquired a comprehensive understanding of its infrastructure, allowing it to pinpoint areas that may be optimized and enhanced. This proactive approach not only extends the life of installations, but also increases their operational efficiency. As another example of its dedication to sustainable, high-performance power production, TAQA Morocco has increased plant reliability and decreased long-term costs by incorporating reverse engineering into its maintenance approach.

Development of renewable energy projects

In line with the Kingdom of Morocco's strategic objectives, TAQA Morocco has pledged to decreasing its carbon intensity by 25% by 2030. An aggressive development strategy has been implemented, with the goal of establishing 1,000 MW of installed renewable energy capacity, including wind and solar power. To this goal, « TAQA Morocco Green Energy », a subsidiary dedicated to the development of the numerous projects, was established in 2023. By the end of the year, TAQA Morocco had achieved significant progress on a number of projects, including tender pre-qualification and the launch of pre-feasibility and development studies on specific targeted sites.

Participating in the national decarbonization effort

As part of its constantly evolving renewable energy offering, TAQA Morocco signed a MoU with Nexans to supply renewable electrical energy to its Moroccan sites. This strategic alliance is part of the company's commitment to the new national policy for decarbonizing the economy and industry. TAQA Morocco is thereby cementing its position as a leading participant in the creation of dependable and competitive renewable energy sources.



Wind power projects

Capitalizing on the Dakhla-Oued Ed-Dahab region's potential for clean energy production, TAQA Morocco has begun the pre-development phase of a site with an initial capacity of 600 MW. The Group has also finalized the development of its Boujmil wind power project, with a production capacity of 95 MW and an estimated annual output of 400 GWh.



Solar projects

To expand its solar energy offering, TAQA Morocco has started work on the Noor PV II project near Kelaat des Sghrarna and Sidi Bennour, which will have an installed capacity of 96 MW and a projected energy production of 230 GWh. In the Midelt region, TAQA Morocco has expressed interest in lots at the Noor Midelt 2 and Noor Midelt 3 wind farms, with the goal of developing 800 MW of installed capacity.

Accelerated digitalization of TAQA Morocco's businesses

“ TAQA Morocco's digital transformation marks a watershed moment on the path to Industrial Excellence 4.0, where energy reliability is critical to satisfying rising market demands. By closely aligning our digital roadmap with our development strategy, we are able to rapidly adapt to changes in the energy market, while surfing on the wave of emerging opportunities. At the heart of this transformation lies TAQA Morocco's commitment to change management, which is achieved by fostering an atmosphere that encourages ongoing learning and innovation. By taking this tack, we are able to keep our position as a market leader and supplier of innovative energy solutions. ”

Mrs. Imane ALAOUI - Head of Cybersecurity and Digital Transformation

In 2023, TAQA Morocco took significant efforts toward Industry 4.0 as part of its ongoing pursuit of innovation and efficiency. Efforts concentrated on digitizing critical tasks such as chimney cleaning, monitoring rounds, and weighing, resulting in considerable improvements to operational processes. This ambition for digital transformation extends far beyond simply upgrading processes and operations; it represents TAQA Morocco's commitment to shaping and determining the Kingdom's energy future.

TAQA Morocco has created a team-assistance platform to modernize sootblowing. This solution analyzes data to advise the optimum time to complete this critical task by eliminating existing processes, this method has reduced soot removal rates while increasing unit thermal efficiency.

At the same time, TAQA Morocco has integrated IoT technologies into its equipment monitoring rounds. Sensors now collect

data in real time, and centralize it on a platform accessible through PDAs. This innovation offers an accurate perspective of equipment condition, facilitating in-depth analysis and informed decision-making.

In addition, the communal areas have been fully digitized. Every stage of coal handling, from unloading to delivery to units, is now monitored and evaluated in real time. This transparency enables the optimal use of each batch of coal by promptly examining the yields of the raw materials utilized and implementing constant improvements.

Alongside these operational advancements, dematerialization has benefited support services such as procurement, risk management, and industrial management control functions, all of which have helped to support even more business projects as they strive for digital excellence.





Improved financial indicators and strengthened financial solidity

After a period of exceptionally & record-high levels on the global market in 2021-2022, a significant drop in coal prices was observed in 2023. This trend had an impact on the financial results for the year.

TAQA Morocco continued to invest in the development of its human capital and the optimization of its maintenance processes to improve the operational efficiency of its Units 1 to 6. These efforts have resulted in the overall availability rate remaining nearly unchanged as compared to 2022, with a slight dip to 93.7% from 93.9%. This performance reflects the ramp-up of TAQA Morocco's preventive maintenance program, which enabled minor overhauls to be carried out on Units 1 and 5, each lasting 25 days.

In 2023, TAQA Morocco reported a consolidated revenue of MAD 13,191 million, indicating strong performance throughout

all six production units. As a result, the company's EBITDA remained above the normative levels of previous years, at MAD 3,559 million.

Group Net Income was MAD 1,037 million in 2023 as opposed to 1,303 MDH in 2022, driven by an unexpected foreign currency loss caused by the progression of the USD/MAD parity. These figures show the successes and challenges faced by TAQA Morocco amidst an constantly shifting economic landscape.

In addition, TAQA Morocco's capital expenditure climbed by 35.7% to MAD 328 million from 2022. These investments are mostly for minor overhauls of Units 1 and 5, as well as operations and maintenance initiatives.

Developing digital culture

To foster the emergence of a digital culture and modernize its organization, TAQA Morocco implemented the Digital Champions program, which provides an exclusive coaching curriculum for innovation and digital enthusiasts. These participants are trained to become key drivers of transformation, integrating human-centered co-creation methods and adopting a comprehensive digital approach. Digital Talks have also been set up to discuss TAQA Morocco's approach and share employees' experiences. Training efforts in digitalization, cybersecurity and artificial intelligence have also been stepped up for the benefit of certain employees, ahead of their widespread use in the coming years.



Strengthening the cybersecurity of organization and facilities

Given the key role TAQA Morocco plays in the national interest, it is subject to cybersecurity law 05-20 and other directives from the Direction Générale de la Sécurité des Systèmes d'Information (IT & Security Department). These regulations outline procedures such as yearly organizational and technical audits, the approval of sensitive systems, the classification of systems and sensitive data, and the sovereignty of these elements.



19

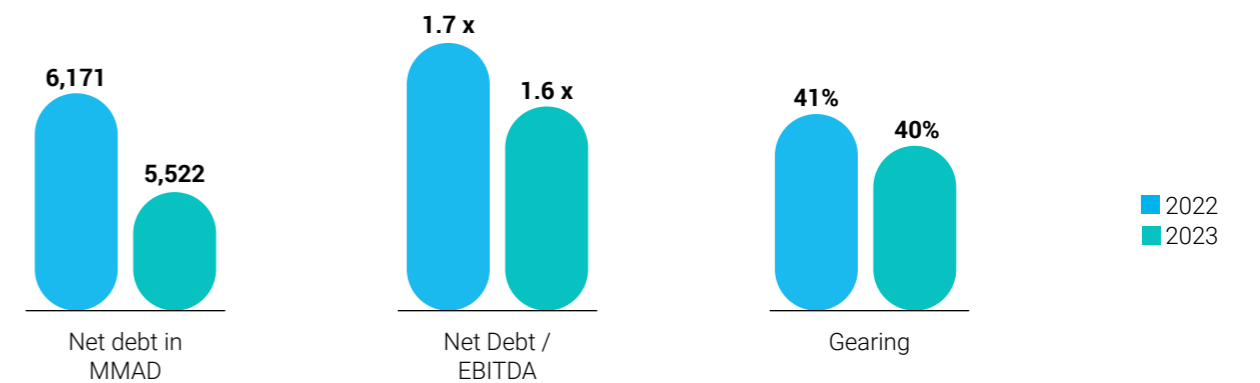
Digital Champions trained



4

Digital Talks organized each year

Consolidated indicators in MAD million	2023	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%
Financial income	(584)	(381)	(203)	53.3%
Consolidated net income	1,349	1,677	(328)	-19.6%
Net income, Group share	1,037	1,303	(266)	-20.4%



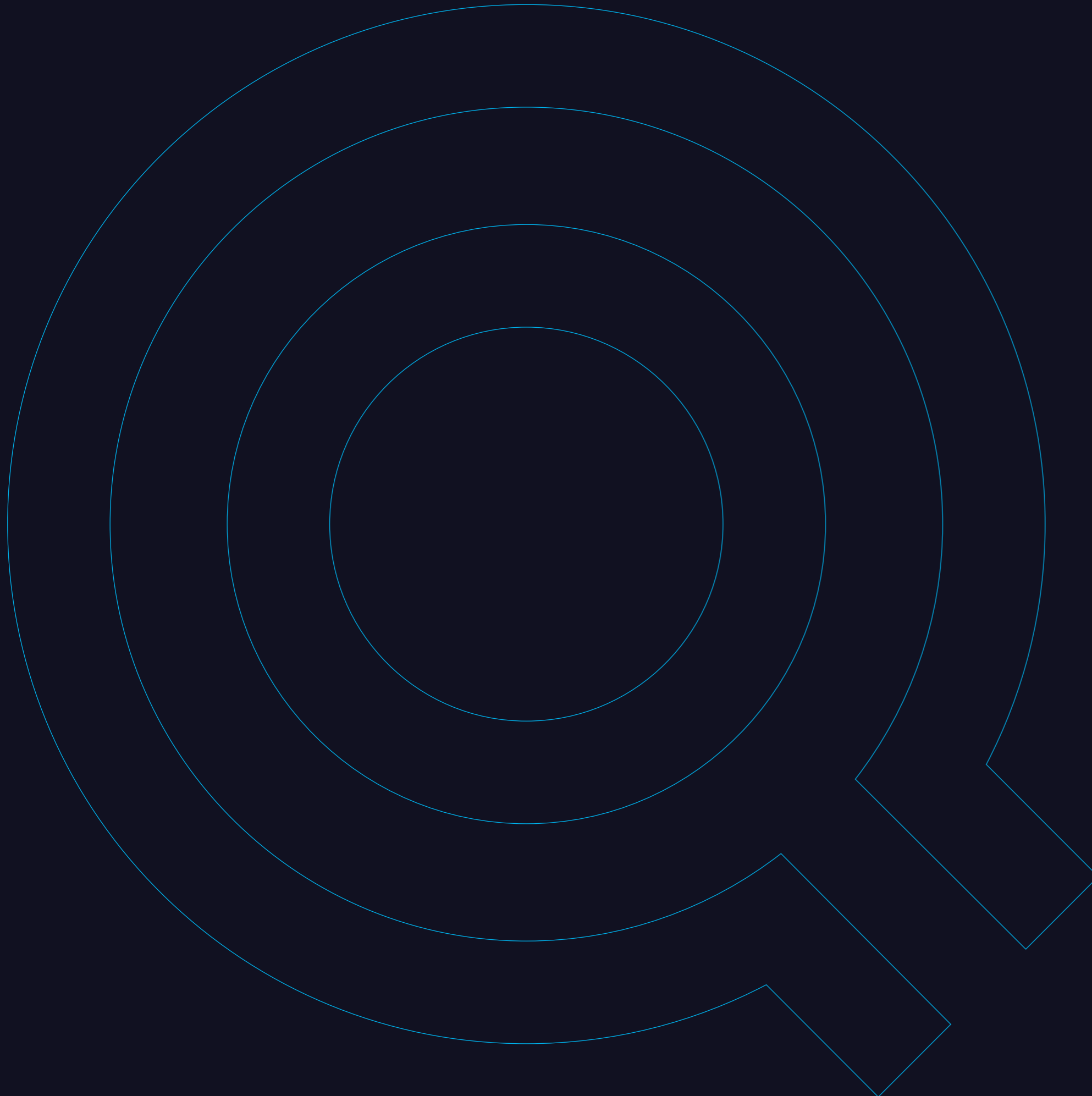
TAQA Morocco's net debt has greatly improved as a result of a major financing operation to reprofile JLEC 5&6 debt. This operation raised MAD 6.6 billion from Moroccan banks, extended the maturity date to 2042, and included effective cash flow management.

At December 31, 2023, net debt has decreased by 10.5% to MAD 5,522 million, with the net debt/EBITDA ratio improving to 1.6x from 1.7x in 2022. This strategy is intended to support the implementation of low-carbon energy and water desalination projects, and it marks the beginning of a fundamental transition of TAQA Morocco's business model and financial structure.

03

ESG REPORT





ABOUT THIS REPORT

This report looks at TAQA Morocco's environmental, social, and governance performance. It complies with the requirements of AMMC circulars 03-19 and 02-20, and is based on GRI (Global Reporting Initiative) and ISO 26000 standards. The report also discusses the company's contributions to the United Nations' sustainable development goals.

TAQA Morocco: a model for long-term shared value generation

SUSTAINABILITY CHALLENGES DEFINED IN CONSULTATION WITH TAQA MOROCCO'S STAKEHOLDERS

TAQA Morocco's sustainability goals originate from continuing discussions with its stakeholders. This strategy is critical to TAQA Morocco's responsible management of operations, as well as the thorough integration of medium- and long-term sustainability goals. It further allows the Group to foresee the risks connected with its activities while also having a positive impact on its ecosystem.

To establish and achieve its non-financial objectives, TAQA Morocco consulted 162 stakeholders and identified 30 priority issues or challenges, which were prioritized based on their relevance and criticality to stakeholders and to the company itself. The discussions brought together not only internal stakeholders and economic partners, but also social influencers and regulators.

This approach allows TAQA Morocco to focus on high-impact features that fit with the expectations of its stakeholders.



162

Stakeholders surveyed

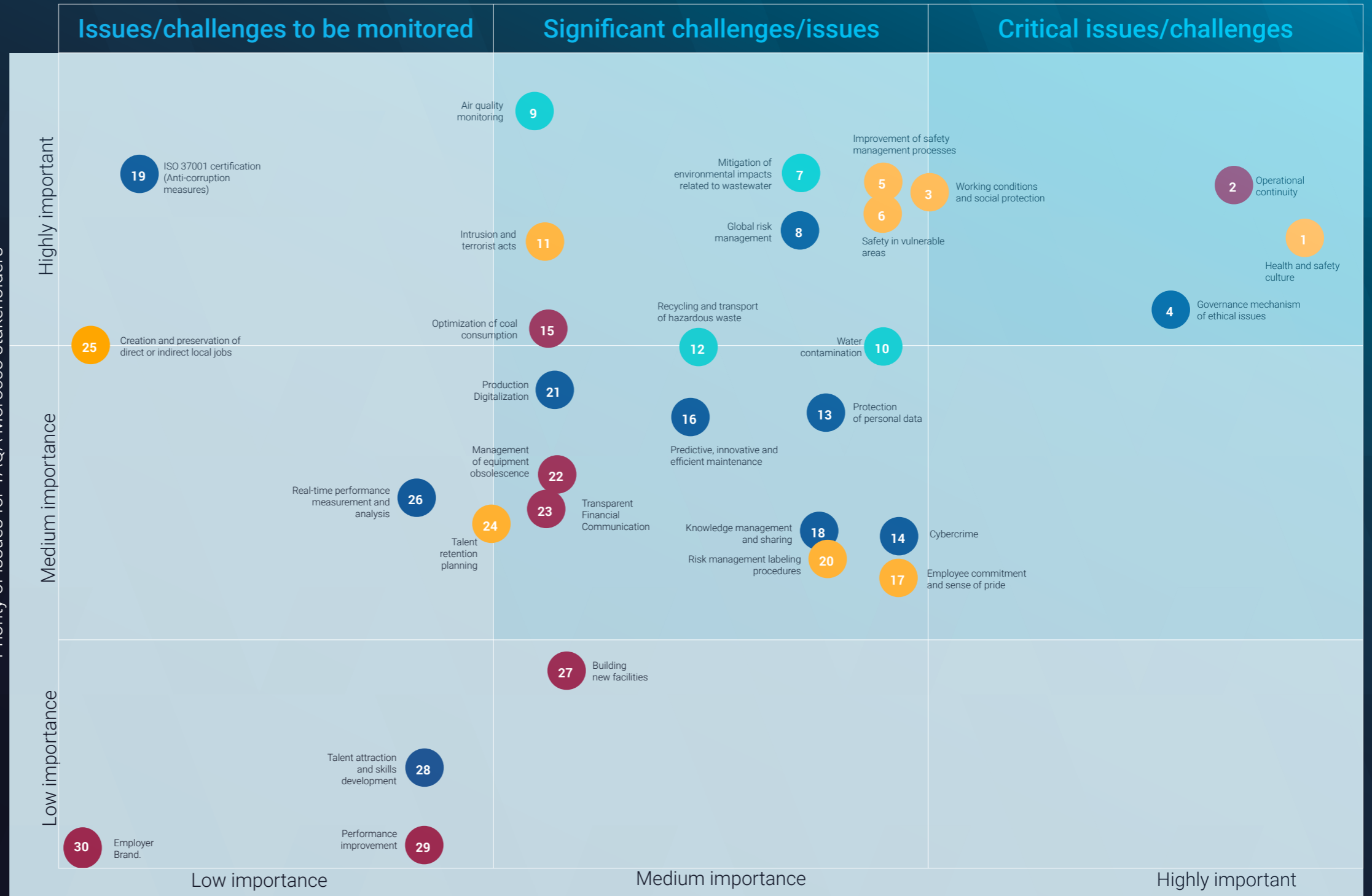


30

Priority issues identified

TAQA Morocco intends to refresh its materiality analysis in 2024 to meet the increased criteria and expectations of its stakeholders.

Priority of issues for TAQA Morocco stakeholders



Top priority issues for TAQA Morocco



Health & Safety



Business Continuity



Environment



Governance, ethics & risk management

SUSTAINABLE BUSINESS DEVELOPMENT AS A GROWTH LEVER

Committed to the Kingdom's ambitions and the Group's orientations, TAQA Morocco is dedicated to transitioning towards a sustainable and responsible economy for a better future for younger generations. TAQA Morocco has adopted a strategy that goes beyond its role as an energy producer and positions itself as a key partner in the energy transition of the entire economic ecosystem. This is achieved through three pillars: environmental preservation, employee protection and fulfillment, and adherence to ethical rules and governance standards. With its position as a prominent player in private power generation and a key contributor to the Kingdom's energy and water production goals, TAQA Morocco makes community inclusivity the cornerstone of its ESG strategy, as outlined by its TAQA Morocco for Community policy.



75%

Waste generated and recycled



25,032

Training hours



32,575


Direct and indirect beneficiaries


Our resources Our approach & strategy for sustainability A culture of shared value creation


Our human capital
441 employees
36% executives

Our intangible assets
 Cooperation and maintenance contract for Units 1 to 6 Power Purchasing Agreement (PPA)
 Concession to operate quays 3 and 3 bis in the port of Jorf Lasfar

Our financial resources
 Total assets **MAD 22,247 million**
 Shareholders' equity **MAD 7,130 million**
 Operating cash flow **MAD 2,626 million**
 Gearing **40 %**


Vision
 Reinforce our IPP leadership position in Morocco by diversifying our business portfolio and becoming a reference in the water industry by leveraging off TAQA Group's expertise.


Mission
 Capitalise off our expertise as a historic energy producer and our financial strength to assist the whole Moroccan economy in its energy transition.


Ambition
 Play a key role in the change in Morocco's energy mix.

For the environment
 Share of low-sulfur coal: **100%**
 Waste generated & recycled **75 %**
 Collection and treatment of **183 tons** of hazardous waste

For our employees
25,032 training hours
 Commitment charter for employees health and safety
 Career and skills management policy
 CSR Charter for diversity and the fight against discrimination
 «eTaqaMorocco Academy» e-learning platform

Our social impact
 A total budget of **MAD 6 million** for TAQA Morocco for Community actions
24 projects and associations supported
32,575 direct and indirect beneficiaries

The pillars of sustainability

Pillar 1: Environment	Pillar 2: Social	Pillar 3: Governance
<ul style="list-style-type: none"> ▶ Participate in the energy transition ▶ Reduce carbon intensity ▶ Responsible waste management 	<ul style="list-style-type: none"> ▶ Prioritize health and safety at work ▶ Human capital development and career support ▶ Promote diversity and inclusion 	<ul style="list-style-type: none"> ▶ Solid dual governance ▶ Transparency and integrity with stakeholders

TAQA MOROCCO for Community 

Contributing to economic and social development

 Education Promote access to education	 Environment Reduce our environmental footprint	 Health Facilitate access to care
--	---	---

**CONCRETE COMMITMENTS AND MAJOR ACHIEVEMENTS
ALIGNED WITH OUR SUSTAINABILITY CHALLENGES**

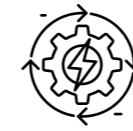
In 2023, TAQA Morocco implemented a strategy focused on sustainable development. Centered on three main pillars - the environment, employees, and governance - and driven by a dedication to making a positive impact on the community, this step up demonstrates our unwavering commitment to sustainability and our relentless pursuit of progress.

ESG DIMENSIONS	SUSTAINABILITY ISSUES	TAQA MOROCCO – COMMITMENTS & ACHIEVEMENTS	DIRECT & INDIRECT IMPACTS ON SDG
 <p>ENVIRONMENT</p>	<ul style="list-style-type: none"> ▶ Contribute to Morocco’s energy transition ▶ Reduce the carbon intensity of our activities ▶ Manage our activities responsibly 	<ul style="list-style-type: none"> ▶ Development of renewable energy projects with an additional capacity of 1,000 MW by 2030, with the aim of reducing carbon intensity by 25% (p. 39) ▶ 3 wastewater treatment plants to treat wastewater and oil-containing wastewater, in line with international standards and regular monitoring and audit by an independent laboratory (p. 42) ▶ Recycling of 75% of waste ▶ Use of low-sulfur coal at the thermal power plant ▶ Dematerialization of processes with a paperless objective ▶ Implementation of an «ecogestures» (eco-friendly practices) program to raise employees awareness of 5 key rules. 	
 <p>EMPLOYEES</p>	<ul style="list-style-type: none"> ▶ Prioritize health and safety in the workplace ▶ Develop our human capital and support career development ▶ Promote diversity and inclusion 	<ul style="list-style-type: none"> ▶ Zero workplace accidents by 2023 and 2022 (p. 48) ▶ Organization of a Stand Down Safety awareness campaign and a Health Days program (p. 49) ▶ Over 60 beneficiaries of the breast and prostate cancer screening and awareness program (p. 49) ▶ Implementation of the TAQDIR internal recognition program (p. 50) ▶ Partnership with UM6P for training and skills development ▶ Celebration of TAQA Morocco’s Values Champions (p. 50) ▶ Developing the beginnings of a parenting policy (p. 56) ▶ Deployment of a «Diversity & Inclusion» action plan (p. 54) ▶ Appointment of a disability advisor, responsible for guiding, informing and supporting employees with disabilities ▶ Equal pay for men and women 	
 <p>GOVERNANCE</p>	<ul style="list-style-type: none"> ▶ Establish dual and transparent governance ▶ Act with integrity and transparency when dealing with our stakeholders 	<ul style="list-style-type: none"> ▶ 100% of staff (members of governance bodies and employees) trained in anti-corruption (p. 59) ▶ Code of deontology ▶ Code of ethics ▶ Code of conduct with business partners ▶ Code of business conduct ▶ Ethics training course ▶ Whistleblowing system 	
 <p>COMMUNITY</p>	<ul style="list-style-type: none"> ▶ Promote access to education ▶ Reduce the environmental footprint ▶ Facilitate access to healthcare 	<ul style="list-style-type: none"> ▶ 32,575 direct and indirect beneficiaries with 24 projects and associations supported ▶ Installation of solar panels for pre-schools in northern Morocco ▶ Medical caravans organized in various rural communities in Morocco ▶ Scholarship programs (Abulcasis and Jadara) benefitting several students (p. 74) ▶ Contribution to educational support for beneficiaries of the Bab Rayan association’s children’s home and pupils of the ANEER pre-school (p. 73 and 74) 	

Preserving resources and protecting the environment: major priorities for TAQA Morocco

The dedication to minimizing the environmental impact of TAQA Morocco's operations has been a defining characteristic of the Company since its inception. This has always been evident in the way the company's environmental strategy has guided the expansion of its operations. In light of this, TAQA Morocco conducted an impact analysis in 2010 before expanding Units 5&6; and in 2023, it updated its ISO 14001 certification (2015 version) for all of its operations. All TAQA Morocco operations incorporate a system that is continuously used to minimize the impact on the environment.

In response to pressing climate concerns, these efforts have coalesced to provide a compelling vision for our low-carbon plan for 2030, which is fueling the expansion of our operations going forward. Driven by this ambition, TAQA Morocco has placed environmental impact at the heart of its sustainable development strategy. To achieve this sweet spot between operational efficiency and environmental stewardship, the company has ramped up its efforts to find and implement innovative solutions that are aligned along three pillars.



PILLAR 1

PARTICIPATION IN THE ENERGY TRANSITION

TAQA MOROCCO, A KEY PARTNER OF THE KINGDOM'S ENERGY TRANSITION



Start of low-carbon project development

In 2022, TAQA Morocco has reaffirmed its ambition to develop several high-impact projects aimed at producing 1,000 MW of low-carbon energy, which will enable a 25% reduction in carbon intensity.

This will reinforce the Company's position as Morocco's largest IPP with a diverse energy mix, leveraging the TAQA Group's extensive expertise.

The first projects initiated as part of this strategy were the Noor PV II Solar Project and the Boujmil Wind Power Project.

Sustainable caravan Dakhla Oued Eddahab

As part of its commitment to sustainability and environmental responsibility, TAQA Morocco made a significant contribution to the second edition of the «Caravane Durable». This initiative, which aims to promote and raise awareness of environmentally friendly technologies, is orchestrated by the EnR Cluster, under the aegis of the Ministry of Energy Transition and Sustainable Development. Working in close collaboration with the Dakhla Oued Eddaheb Regional Investment Center, the event was also supported by the Ministry of Industry and Trade, the Dakhla Oued Eddaheb Regional Council and the African Chamber of Commerce and Services, underlining the importance of synergies among various stakeholders in promoting a greener, more sustainable future.





PILLAR 2

CARBON FOOTPRINT REDUCTION

COMMITTED TO PROTECTING AND PRESERVING THE ENVIRONMENT

Reinforcing carbon footprint management

Recognizing the significance of its environmental impact, TAQA Morocco has commissioned an in-depth examination of its facilities' greenhouse gas (GHG) emissions in collaboration with an independent firm. The goal of this assessment is to quantify the emissions generated by TAQA Morocco's activities at the Jorf Lasfar facility and to recommend an action plan for lowering these emissions.

The comprehensive carbon footprint assessment for TAQA Morocco was conducted utilizing the Greenhouse Gas (GHG) Protocol methodology, encompassing scopes 1, 2, and 3, which represent both direct and indirect emissions. Our inaugural assessment, with 2022 as the year of reference and completed in 2023, indicates that TAQA Morocco's total GHG emissions stand at 17.5 million metric tons of CO₂ equivalent (MTeqCO₂). Notably, 99.9% of these emissions are ascribed to scopes 1 and 3, reflective of the unique operational characteristics of TAQA Morocco.



The three most emissive items for TAQA Morocco (calculation for reference year 2022)

«Fixed source combustion»



80%

The main emitter in TAQA Morocco's carbon footprint, accounting for 80% of total emissions. This predominance is due to coal combustion.

«Fuel-related activity»



11%

This is exclusive to coal mining and concerns methane emissions at the mine level – during the extraction phase.

«Inbound logistics»



7%

This is exclusive to coal transportation and is the third highest-emitter in TAQA Morocco's carbon footprint. This sub-item refers to maritime freight.

GHG emissions in Mt	2021	2022	2023
Gross direct GHG emissions TCo2EQ (Scope 1)	13.40	13.06	13.06
Gross direct GHG emissions TCo2EQ (Scope 2)	0.009	0.0087	0.0093

Improving energy performance

With a view to improving and optimizing its energy performance, TAQA Morocco assessed its energy efficiency in partnership with an accredited organization. This energy audit was carried out at all TAQA Morocco sites in Jorf Lasfar, namely units 1 to 6, the coal yard, the port and the administrative offices. It provided an overview of TAQA Morocco's energy position while highlighting energy improvement actions and sources of energy optimization.

Within this framework, and in order to achieve energy and financial savings, actions and investments have been launched, including:

- ▶ The refurbishment of lighting installations with the switch to LED lamps;

- ▶ The launch of a study for the implementation of a centralized smart lighting management system;
- ▶ The implementation of a maintenance contract for goal-oriented lighting installations;
- ▶ Restoration of thermal insulation on surfaces generating heat loss;
- ▶ Launch of a program of quarterly campaigns to measure and assess heat loss from all water-steam and air-gas circuits impacting energy performance across the units;
- ▶ Energy efficiency awareness training for employees

Energy consumption	2021	2022	2023
Electricity consumption in MWh	16,015	11,109	13,514



Preserving natural resources

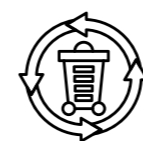
TAQA Morocco is committed to lowering its water use, recognizing the critical role of water in power generating and cooling systems, especially in light of the country's water stress and shortages. On an industrial scale, this entails establishing a closed circuit for reusing water.

Every hour, 332,000 m³ of seawater are pumped for cooling, ensuring effective water management. Jorf Lasfar's water is

handled in three distinct treatment plants, which handle both wastewater and oil-laden water. Following treatment in conformity with international standards (including World Bank criteria), the treated water is frequently tested by an independent laboratory.

In 2023, municipal water supplies were cut from 1.22 Mm³ to 1.16 Mm³, with a focus on groundwater extraction to alleviate pressure on drinking water supplies.

Water consumption	2021	2022	2023
Volume of surface water withdrawn, including water from wetlands, rivers, lakes and oceans in millions of m ³	2.5	2.9	2.9
Municipal water supplies or other public or private water services in Mm ³	1.58	1.22	1.16
Volume of groundwater withdrawn in m ³	100	360	5,580



PILLAR 3 WASTE MANAGEMENT

OPTIMAL MANAGEMENT OF INDUSTRIAL WASTE AND DISCHARGES

Making environment a common duty

TAQA Morocco encourages all of its employees to embrace a series of eco-friendly actions, either individually or collectively, in order to engage its staff in its environmentally responsible approach. These practices or «gestures» are organized around nine simple instructions that must be followed and shared.



1 Waste
Manage waste responsibly by prioritizing prevention, reducing at the source, re-use without modification, recycling for production, energy recovery and controlled disposal as needed.



2 Chemical Products
Strictly observe the compatibility of chemical products in storage, prevent any leaks and comply with the Safety Data Sheets for safe handling.



3 Water Consumption
Optimise water consumption in industrial processes, recycle water, maintain equipment to prevent leaks, minimise cleaning with large quantities of water and rigorously monitor its consumption.



4 Liquid Discharges
Reduce liquid discharges, prevent their contamination, treat wastewater and control its quality before discharge to protect the environment.



5 Energy Consumption
Optimise energy use during production, switch off equipment and lighting when not in use and meticulously monitor energy consumption.



6 Gas emissions
Maintain rigorous control of atmospheric emissions through optimum combustion settings, maintenance of capture and filtration systems, periodic checks and regular vehicle servicing.



7 Noise & vibration
Reduce noise and vibrations from the outset, install acoustic barriers, assess the noise impact near local residents and monitor surrounding noise levels.



8 Raise awareness around the environment
Communicate safety and environment issues at the start of each meeting and disseminate ecological best practices to all employees & business partners.



9 Incident alert
Alert immediately in the event of an environmental incident, intervene to limit its impact and analyse each recorded incident to prevent any recurrence.

Innovations in waste management and recycling

TAQA Morocco, in partnership with the Professional Association of Moroccan Cement Manufacturers (APC), has developed a technique for recovering fly ash from the production process, which is captured by an electrostatic precipitator and then injected into the cement manufacturing process.

This initiative has enabled TAQA Morocco to significantly reduce its atmospheric emissions, while providing cement manufacturers with an alternative source of raw materials.

In 2023, the material reuse rate increased from 55% to 75%.

This growth can be attributed to changing demand from cement producers, which has had a direct impact on fly ash recycling.

Other waste generated at the TAQA Morocco plant is also given special consideration. They are sorted according to environmental criteria before being sent to specialized firms for treatment and recovery (recycling). Hazardous garbage requires specific handling and is only managed by licensed staff members. In 2023, 183 tonnes of hazardous waste were responsibly collected and processed, demonstrating TAQA Morocco's commitment to long-term and responsible environmental management.

Waste management and disposal measures	2021	2022	2023
Percentage of recycled materials used	58%	55%	75%
Total weight – in tons – of non-hazardous waste	228	180	157
Weight – in tons – of hazardous waste transported in tons	201	142	183



75%

Percentage of recycled materials used

Training in industrial water treatment techniques

"Performance and continual improvement must be connected to the correct management and use of critical resources. As a result, all participants had the chance to expand their understanding of appropriate water treatment processes for diverse applications, with the goal of identifying a management method that uses the least water resources to achieve the highest yields while preserving the environment."

Mr Mohammed Amri, Chemical foreman

The Chemistry and Water Management Department received training in industrial water treatment procedures. This initiative played a crucial role in enabling participants to broaden and deepen their know-how and skills in several key aspects of water treatment. Topics covered a wide range of modern techniques and methodologies, essential for efficient and environmentally-friendly water treatment in the industrial context.



Zero Paper Objective: A new step towards dematerialization

As part of its transformation strategy, TAQA Morocco has converted its IT service management procedures to digital format. Technical assistance requests, incident management and other IT-related services are now digitalized.



TAQA Morocco's talents, a source of sustainability and performance

TAQA Morocco is firmly committed to strengthening its social responsibility to its employees by implementing strategic programs that ensure their professional and personal fulfillment while also safeguarding their safety and health. Since 2014, TAQA Morocco has adopted a policy of training and skill transfer, which has been bolstered by ICPF certification. These initiatives are carried out in particular through the e-learning portal "eTaqaMorocco Academy" and are seamlessly incorporated into the channels of excellence created by TAQA Morocco over the years. At the same time, TAQA Morocco places a high value on building its employees' safety culture by establishing a fulfilling, safe, and dialogue-friendly working environment.

In 2023, TAQA Morocco's dedication to its employees took on a new level. While confirming its corporate culture's focus on safety issues, TAQA Morocco also implemented a number of programs to promote skill development, team cohesiveness, inclusiveness, and diversity.

PILLAR 1 PRIORITIZING HEALTH AND SAFETY AT WORK

A corporate culture centered on employee health and safety



Employee safety is a top focus for TAQA Morocco, which this year launched a comprehensive "Stand Down Safety" awareness campaign, aimed at demonstrating TAQA Morocco's commitment to its "Zero Accidents" objective.

The Stand Down Safety campaign provided an opportunity to address the near-accidents that occurred at the Jorf Lasfar Thermal Power Plant. A workshop led by the directors of TAQA Morocco was held in 2023. It reinforced all employees'

commitment to TAQA Morocco's safety guidelines, conducted thorough risk assessments, and initiated a number of safety-related initiatives.

The Root Cause Analysis (RCA) of the incidents in question were communicated in a transparent manner with the goal of building a culture focused toward maintaining employee safety and fostering continuous learning.

Occupational health and safety	2021	2022	2023
Number of workplace accidents	2	0	0
Accident frequency rate	0.00	0.00	0.00
Total hours worked	2,891,565	3,310,230	3,135,905

HEALTH DAYS: WORKSHOPS AND TRAINING CYCLES ON "WELL-BEING IN THE WORKPLACE"

TAQA Morocco collaborated with health and well-being specialists to develop Health Days, a series of workshops focusing on workplace well-being. Health Days, which include cycles such as "stress management", "overcoming limited self-belief", "conquering fear", and "managing emotions", they seek to provide employees with the tools they need to improve their well-being and mental health.



Awareness-raising initiatives for an ongoing commitment to employee health



Keeping in the same spirit, November was a time to raise awareness about male health issues, specifically prostate cancer. As part of this program, brochures with information were distributed with interactive sessions in the form of didactic presentations. Also, a medical biology lab and the screening campaign were working together to provide PSA blood testing to interested workers.

TAQA Morocco confirms its commitment to the health of its employees by combining awareness-raising, preventive, and screening to ensure a healthy working environment attentive to the needs of each individual.

Always concerned about the health and well-being of its employees, TAQA Morocco held a breast cancer awareness day on October 25, 2023.

The training began with a lecture by specialized doctors from Cheikh Zaid Hospital. Clinical examinations and ultrasound scans were then available for people who wanted a thorough preventive examination. As part of an inclusive approach, this program was open to TAQA Morocco's partners and service providers as part of its CSR activities.

A total of more than 32 people benefited from a comprehensive screening, marking the success of this campaign, and testifying to the fruitful collaboration between TAQA Morocco's QHSE, CSR and medical teams and Sheikh Zaid Hospital.



PILLAR 2 HUMAN CAPITAL DEVELOPMENT AND CAREER GUIDANCE

Talent and skills, a source of energy and development

Human capital is critical to the company's growth and lies at the heart of TAQA Morocco. Through adapted HR policies, the company strives to create the right conditions for employee fulfillment.



TAQDIR PROGRAM

TAQdir, a recognition effort aimed to reward employees for outstanding individual or team performance, was launched by TAQA Morocco under the 'Go the Extra Mile' concept. The goal of TAQdir is to award employees based on the number of points they acquire over the year. Each **TAQdir** is worth a set number of points, defined by the significance of the employee's contribution and impact on the firm.

PARTNERSHIP WITH UM6P



This partnership with UM6P marks a significant step forward in our mission to develop and share our expertise as an energy operator, and to stimulate research in the emerging energy professions.



M. Omar ALAOUI M'HAMDI
Deputy CEO Finance & Development Director



On May 24, 2023, TAQA Morocco and Mohammed VI Polytechnic University signed a partnership agreement to boost training, skills development, and continuous research in the energy sector. This partnership will enable energy professionals to access e-learning training classes on various energy sources, particularly renewable or developing energies like green hydrogen.

The Executive Education department at UM6P will be in charge of promoting specialist skills and knowledge, as well as facilitating the sharing of expertise, ideas, and innovative initiatives through collaborative platforms and collaborative technical encyclopedias to provide distance access to quality training.

COMMUNICATION AND LEADERSHIP TRAINING - DALE CARNEGIE

In partnership with Dale Carnegie's recognized specialists, TAQA Morocco conducted a certification training session named "Communication and Leadership". This project was part of an ongoing effort to improve communication and leadership abilities inside the organization, demonstrating TAQA Morocco's dedication to its workers' professional growth.

VALUES CHAMPIONS

TAQA Morocco celebrates the teams who advocate for its principles. Every month, managers are given the opportunity to select team members who have stood out by representing the company's principles. Every quarter, a «Value Champions» award ceremony is held to honor and recognize teams that have showed remarkable devotion to the company's core values.



DIGITAL CHAMPION PROGRAM

The "Digital Champions" are a community of volunteers actively involved in TAQA Morocco's digital transformation process. Launched on March 21 in an interactive setting, they enable employees to discuss and share their ideas on strengthening the company's digital culture.

Following a six-month training course in areas such as collective intelligence, leadership, design thinking, emotional intelligence, agile management and the art of pitching, employees presented their projects in the form of "pitches" to a panel of judges. Divided into four teams, the presentations revealed promising talents and proposals for the success of the company's digital transformation.

This initiative reflects TAQA Morocco's commitment to adapting to the constant challenges of the digital era.

Today, "Digital Champions" play a key role as an effective interface for communicating, supporting and promoting the company's digital culture, while strengthening its ability to meet technological challenges.



TEAM BUILDING

TAQA Morocco also conducted three team-building exercises for its teams to improve the working environment and strengthen group cohesion through workshops performed in a relaxed setting, allowing team members to get to know each other better.



25,032

Training hours



72.3%

Trained staff

Trainings	2021	2022	2023
Training hours per employee	37.3	69.6	56.8
Employees having received training	405	413	319
Total training hours	18,035	31,758	25,032



PILLAR 3 PROMOTING DIVERSITY AND INCLUSION

An inclusive approach to human resources management

DIVERSITY AND INCLUSION STRATEGY

Alongside the actions in the associative world, TAQA Morocco has deployed a «Diversity & Inclusion» action plan built around 5 pillars :

- ▶ setting up a «Diversity & Inclusion» policy and commission;
- ▶ training employees in inclusion and diversity topics;
- ▶ attracting and retaining talent through dedicated programs;
- ▶ contributing to diversity and inclusion

programs for people with disabilities by strengthening partnerships with associations;

- ▶ regular communication on the achievements of the Diversity & Inclusion action plan.



100%

Female/male salary ratio



30%

Proportion of women in new hires

INTEGRATION PROGRAM FOR THE DISABLED

TAQA Morocco has created specific programs to facilitate the integration of people with disabilities inside the organization, in an effort to promote diversity and inclusion. As part of this initiative, TAQA Morocco has established a relationship with the Association of the Disabled (Amicale Marocaine des Handicapés (AMH Group) to focus on three areas:

- ▶ professional integration of people with disabilities;
- ▶ financial support for activities carried out by the association to assist disabled individuals;
- ▶ conduct an architectural assessment of the Casablanca office and numerous other buildings at the Jorf Lasfar Thermal Power Plant to assess accessibility for disabled individuals inside TAQA Morocco.

TAQA Morocco also appointed a disability coordinator, who will serve as the primary point of contact for staff members regarding inclusion problems. The disability coordinator oversees the inclusion policy and ensures that the appropriate activities are made to sustain the employability of employees with disabilities. In 2023, 26 disabled employees benefited from adaptations to their workstations and working environment.

Focus: Tasks of the disability advisor

Identify employees with disabilities during annual medical check-ups or spontaneous consultations

Report on the situation of employee disability

Monitor and report on disability-related KPIs quarterly, such as the number of employees and claimants declared to be disabled, the nature of the condition (disability), etc.

Analyze the execution of employees' adaptability actions and raise alerts on delays, as required.



PARENTING POLICY

The well-being of its employees is central to TAQA Morocco's Human Resources policy, and the company is committed to helping them at critical moments in their life. In this context, TAQA Morocco is implementing a parenthood policy to assist employees who are parents in fulfilling their roles by providing them with the necessary resources and information to guide them through the various stages of their parenthood journey.



This policy focuses on 4 key areas:



A positive work environment

TAQA Morocco actively engages in social communication with its partners through the signing of a three-year renewable memorandum of understanding, thereby fostering a positive social environment. Following an exchange and negotiation process, TAQA Morocco and its social partners entered into a trade union memorandum of understanding in 2023, showcasing their dedication to fair and enduring social policies.

Social dialogue	2021	2022	2023
Number of strike days	0	0	0
Number of employee representatives	14	14	14
Number of union representatives	6	6	6
Number of individual labor disputes	8	0	0

Breakdown of the total workforce

Breakdown by gender	2021	2022	2023
Women	17	20	20
Men	467	442	421
Total	484	462	441

Breakdown by contract type & gender	2021	2022	2023
Men on permanent contracts	467	442	420
Women on permanent contracts	17	20	20
Total permanent contracts	484	462	440
Men on fixed-term contracts	0	0	1
Women on fixed-term contracts	0	0	0
Total fixed-term contracts	0	0	1
Total number of employees	484	462	441

Breakdown by category	2021	2022	2023
Managers/Executives	171	165	156
Employees	313	297	285
Total	484	462	441

Breakdown by hierarchy	2021	2022	2023
Senior Management Managers/Executives	21	21	21
Middle Management Managers/Executives	150	125	141
Technical and backoffice staff	313	316	279
Total	484	462	441

Breakdown by seniority	2021	2022	2023
Less than 5 years	101	97	85
Between 5 and 15 years	174	180	203
More than 15 years	209	185	153
Total	484	462	441

PAYROLL IN MAD

Payroll	2021	2022	2023
Payroll for the management category	162,969,082	152,167,190	149,518,593
Non-management payroll	149,496,275	148,398,213	145,815,218
Total Payroll	312,465,357	300,565,403	295,333,811

EMPLOYEE TURNOVER

Employee turnover	2021	2022	2023
Hirings	33	17	24
Managers	16	5	16
Non-managers	17	12	8
Number of newly-hired female employees	2	3	7
Number of newly-hired male employees	31	14	17
Resignations	4	6	12
Managers	4	4	8
Non-managers	0	2	4
Number of female resignations	2	0	4
Number of male resignations	2	6	8
Layoffs	2	0	0
Managers	0	0	0
Non-managers	2	0	0

Responsibility and commitment: two cornerstones of TAQA Morocco's governance



Governance structure

TAQA Morocco is a public limited company. It consists of a Supervisory Board and a Management Board. This dual structure favors a functional and effective separation between executive and supervisory roles, resulting in a balanced distribution of power and synergy between strategic decision-making and operational implementation. This structure contributes to robust and responsible corporate governance.



Subjects dealt with exclusively by the Supervisory Board

The Supervisory Board oversees company strategy, development initiatives, and operational and financial performance as part of its oversight and control responsibilities. In addition, it examines company governance matters as well as the annual and interim financial statements.



Composition of the Supervisory Board

Eight executives made up the Supervisory Board at the end of 2023: a chairman and vice-chairman, two independent members, four non-executive directors, one of whom will serve as the permanent representative of Abu Dhabi National Energy Company PJSC (TAQA). The Supervisory Board members represent a range of industries and specialties, including utilities, power generation, investment, asset management, and finance.



Assessment of the Supervisory Board

The parent company has started an examination process at the level of all Group subsidiaries, including TAQA Morocco, in order to guarantee the accountability and efficiency of governance. The audit, which was completed in the first part of 2023, examined the Supervisory Board's operations from a number of crucial angles. The Board is informed of the audit's conclusions in order to discuss any necessary adjustments to the way the governance body operates.



Supervisory Board Committees

Three specialist committees—the Audit Committee, the Strategy and Development Committee, and the Appointments and Remuneration Committee—support TAQA Morocco's Supervisory Board by ensuring that strategic projects are carried out correctly and risks are appropriately managed.

	First & last name	Gender	Nationality	Start or renewal date term of office	Expiry date of term of office*	Other offices		Number of terms of office in publicly traded companies	Attendance rate
						Jorf Lasfar Energy Company 5&6	Taqa North Africa		
Chairman	Mr Farid Saleh Farid Mohamed Al Awlaqi	H	Emirati	June 07, 2021	2027	Chairman of the Supervisory Board	Permanent representative of Abu Dhabi National Energy Company PJSC (TAQA), legal entity member of the Supervisory Board	-	100%
Non-executive members	Mr Alastair James Mulligan	H	Australian	February 23, 2023	2025	-	-	-	100%
	Mr Saeed Hamad Obaid Abuqata Al Dhaheri	H	Emirati	June 24, 2020	2026	-	-	-	100%
	Mr Andres Calderon Acuna	H		June 24, 2020	2024	Andres Calderon Acuna Member of the Supervisory Board	Andres Calderon Acuna Permanent Representative of «TAQA Generation LLC» legal entity member of the Supervisory Board	-	100%
Independent members	Mr Nabil Abdulqader Hadi Alqubali Almessabi	H	Emirati	February 23, 2023	2024	-	-	-	100%
	Mr Ahmed Alshamsi	H	Emirati	June 07, 2023	2025	-	-	-	100%
Membres indépendants	H. E. Saqer Salem Mohamed Binham Alameri	H	Emirati	April 23, 2019	2025	-	-	-	100%
	Mr.Shahab Issa Hamad Abushahab Alsuwaidi	H	Emirati	June 07, 2021	2025	-	-	-	100%

*following the GM approving the accounts for the previous financial year

OPERATION OF GOVERNANCE BODIES

The Supervisory Board establishes strategic objectives and policies. In compliance with the core principles of corporate governance, it also oversees and manages the execution thereof. This body oversees the implementation of the controls and checks necessary to ensure operational efficiency and transparency, as well as making sure the company's actions align with its ethical commitments and strategic objectives.

THE CHAIRMAN OF THE SUPERVISORY BOARD

The Chairman of the Supervisory Board is responsible for convening meetings of the Board and directing its work and discussions.

REMUNERATION OF THE MANAGEMENT BOARD MEMBERS

TAQA Morocco's Management Board members receive no remuneration for their position on the Management Board. Their employment contracts and remuneration are assured by an entity outside TAQA Morocco's scope of consolidation.

THE MANAGEMENT BOARD

The Executive Board is responsible for the day-to-day management of the company. It works to implement the strategies laid down by the Supervisory Board, ensuring that operations and initiatives are aligned with strategic directives.

INDEPENDENCE OF SUPERVISORY BOARD MEMBERS

The appointment of independent directors to TAQA Morocco's Supervisory Board complies with the provisions of article 41 bis of law no. 17-95 on public limited companies, as amended and supplemented. The company complies with all applicable laws.

DIVERSITY

as part of our commitment to promoting equality and diversity within our decision-making bodies, the Annual General Meeting scheduled for the 2023 financial year is expected to ratify the co-option of two eminent women to the Supervisory Board, thus meeting not only regulatory requirements but also our desire to enrich this decision-making body with the diversity of talents and perspectives that these new members bring.

SUPERVISORY BOARD REMUNERATION

Fees paid to Supervisory Board members for 2022 attendance totaled MAD 4 million.

TAQA MOROCCO PRINCIPLES: FAIRNESS, TRANSPARENCY AND INTEGRITY

TAQA Morocco is governed by a Code of Deontology, a Code of Business Conduct, a Code of Ethics and a Code of Conduct with Business Partners, which define the principles of fairness, transparency and integrity, in line with the company's values and, more broadly, those of the TAQA Group.

The TAQA Morocco Code of Ethics establishes the norms and guiding concepts for ensuring that employees adhere to ethical standards. This code comprises not only the standards related to TAQA Morocco's activities, but also the ethical rules mandated by its parent company, the TAQA Group's « Code of Business Ethics.» It covers aspects such as the use and communication of privileged information by the company and the management of conflicts of interest. The aim is to ensure that all TAQA Morocco employees share a common

understanding of ethical standards and conduct their business accordingly.

The Code of Business Conduct establishes the guidelines for ensuring that ethical values are upheld at every phase of our operations. It also contains procedures to prevent fraud and corruption, as well as to handle conflicts of interest.

The Code of Ethics stresses the importance of integrity, transparency, and ethics in the company's management procedures and business partnerships. It establishes guiding principles for employees and stakeholders to ensure they follow ethical and legal standards.

The Code of Conduct with Business Partners defines the ethical expectations and standards of conduct the company requires of its business partners. It covers several key areas, such as respect for human rights, fair treatment of employees,

adherence to employment regulations, prohibition of modern slavery and child labor, occupational health and safety, and reduction of environmental effect. It also handles specific topics such as gifts, conflict of interest management, the supply chain, regulatory compliance (including corruption, money laundering, and terrorist financing), sanctions, and trade controls.

Employees of TAQA Morocco sign a document as an undertaking to comply with the various Codes mentioned hereabove.

TAQA Morocco also has a Directors' Guide, which outlines the relationships and responsibilities of the Supervisory and Management Boards, as well as the duties of the various other committees.

MEMBERS OF THE SUPERVISORY BOARD



Mr. Farid Saleh Farid Mohamed Al Awlaqi

Emirati

Chairman of the Supervisory Board

Appointed on: June 07, 2021

Term of office expires in: 2027 (at the close of the AGM approving the financial statements for the year ending December 31, 2026)



Mr. Alastair James Mulligan

Australian

Deputy Chairman of the Supervisory Board

Appointed on: February 23, 2023

Term of office expires in: 2025 (at the close of the AGM approving the financial statements for the year ending December 31, 2024)



H. E. Saqer Salem Mohamed Binham Alameri

Emirati

Independent Member

Appointed on: April 23, 2019

Term of office expires in: 2025 (at the close of the AGM approving the financial statements for the year ending December 31, 2024)



Mr. Farid Al Awlaqi is CEO of TAQA Generation, a position he has held since July 2020. In this role, he oversees and develops the company's global power and water generation portfolio. Previously, he was the Vice President of Mubadala Investment's Energy Platform, where he held positions ranging from operations and business development to investment and asset management.

Mr. Al Awlaqi holds a Sloan Master's degree from London Business School and a Master's degree in Petroleum Engineering from Imperial College, University of London. He is also a graduate of the prestigious Royal Military Academy Sandhurst.


Other mandates

Jorf Lasfar Energy Company 5&6 SA and TAQA North Africa.

Mr. Alastair Mulligan currently holds the position of Asset Portfolio Director for the TAQA Group's 'Generation' segment.

Mr Mulligan has over 20 years of experience as a distinguished asset manager, having overseen a wide range of large-scale and complex infrastructure and utility projects. Prior to joining TAQA, he held senior management positions at Dubai National Central Cooling Company PJSC («Tabreed»), a utilities company listed on the Dubai Stock Exchange. In particular, he held the position of Managing Director of Tabreed Energy Services, where he was instrumental in expanding the Group's service offering, which today includes building maintenance, air conditioning as a service and energy efficiency contracts. He also held the position of Senior VP of Asset Management, where he created value for the Company through Tabreed's contract management, growth projects and joint venture (JV) management. He holds a degree in Business Finance and a Bachelor of Science in Finance from the University of Queensland, Australia. Alastair Mulligan also holds a Directors' Certificate from the Mudara Institute of Directors.

H.E. Saqer Salem Mohamed Binham Alameri is a member of the Board of Directors of Banque de Tunisie et des Émirats (Bank of Tunisia and Emirates), and a member of the Board of Directors of Bena Real Estate Investment Company and the Abu Dhabi Direct Investment Committee. He serves currently as the Executive Director of the Internal Audit Department at Abu Dhabi Investment Authority. He received a Master degree in Management from the United Arab Emirates University and a Master degree in Marketing from Concordia University, USA. He has also completed the first year of the CFA certificate and holds a Diploma of Specialized Studies in Leadership and Executive Management from Harvard University, USA.



Mr. Shahab Issa Hamad Abushahab Alsuwaidi
Emirati
Independent Member
Appointed on: June 24, 2022
Term of office expires in: 2025 (at the close of the AGM approving the financial statements for the year ending December 31, 2024)



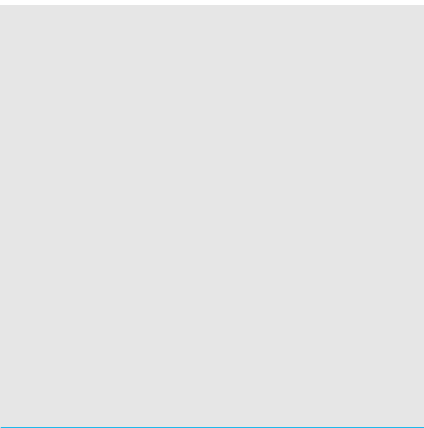
Shahab Issa Hamad Abushahab Alsuwaidi is currently the Chief Strategy Officer of Tawazun Economic Council and a Director and member of the Audit Committee, Risk Committee and Human Resources Committee of Strata Group. He has many years of experience in strategy, development, business intelligence and investment consulting. Shahab holds a degree in Political Science and International Relations from the American University in Washington, D.C.



Mr. Saeed Hamad Obaid Abuqata Al Dhaheri
Emirati
Non-executive Member
Appointed on: June 24, 2020
Term of office expires in: 2026 (at the close of the AGM approving the financial statements for the year ending December 31, 2025)



Saeed Al Dhaheri joined TAQA in 2014 and took over as Chief Operating Officer in June 2016. Mr. Al Dhaheri previously served as executive vice president support business in charge of human resources, health and safety, information technology, procurement and general services. Prior to joining TAQA, Al Dhaheri held leadership positions at Abu Dhabi Media Company, Etihad Rail and Abu Dhabi Health Services Company (SEHA), previously he served on the United Printing & Publishing Board of Directors. Al Dhaheri holds a Master's degree in Management from Abu Dhabi University and a Bachelor's degree in International Business from Eckerd College in USA.



Mr. Andres Calderon Acuna
Colombian
Non-executive Director representing Abu Dhabi National Energy Company PJSC (TAQA)
Appointed on: June 24, 2020
Term of office expires in: 2026 (at the close of the AGM approving the financial statements for the year ending December 31, 2025)



Permanent representative of TAQA PJSC in the Supervisory Board.

Other mandates
Jorf Lasfar Energy Company 5&6
TAQA North Africa TAQA Morocco
Wind Corporation.



Mr. Nabil Abdulqader Hadi Alqubali Almessabi
Emirati
Non-executive Director
Appointed on: February 23, 2023
Term of office expires in: 2024 (at the close of the AGM approving the financial statements for the year ended December 31, 2023)



Nabil Almessabi serves as TAQA's Chief Human Resources. He oversees the strategic development of human resources as a lever for the group's growth ambitions. Previously, he served as TRANSCO's HR Director and was Executive Director of Human Capital and Communications at Abu Dhabi Power Corporation. With over 20 years of experience, Mr. Almessabi has held leading transformation positions in the oil & gas, utilities, real estate and tourism sectors in the United Arab Emirates. Mr. Almessabi holds a degree in Electrical Engineering from the United Arab Emirates University, a degree in Management from the University of Cambridge – Judge Business School and a Global Executive MBA from INSEAD.



Mr. Ahmed Alshamsi
Emirati
Non-executive Director
Appointed on: June 07, 2023
Term of office expires in: 2025 (at the close of the AGM approving the financial statements for the year ending December 31, 2024)



Ahmed Al Shamsi is currently Associate Director at ADQ, where he leads the energy and utilities team on top of managing several key investments. Mr. Al Shamsi has extensive experience in the development and management of regional and international companies in the utilities sector. He has held several positions, including Head of Business Development for TAQA's electrical transmission and distribution operations and Head of Utilities Special Projects for Mubadala Investment Company. Mr. Al Shamsi holds a Master degree in International Development and Public Policy and a Bachelor degree in Economics from the University of Manchester, in the UK.

COMMITTEE MEMBERSHIP

-  STRATEGY AND BUSINESS DEVELOPMENT COMMITTEE
-  NOMINATION AND COMPENSATION COMMITTEE
-  AUDIT COMMITTEE
-  COMMITTEE CHAIR

SKILLS AND EXPERIENCE

-  FINANCIAL SERVICES
-  ENERGY SECTOR
-  DEFENSE/SECURITY/TECHNOLOGY
-  INVESTMENT/ASSET MANAGEMENT
-  UTILITIES
-  HUMAN RESOURCES
-  REAL ESTATE AND TOURISM

ROLE AND COMPOSITION OF SUPERVISORY BOARD COMMITTEES

Audit Committee

Role	Composition
<p>The Audit Committee is responsible for monitoring issues relating to the production and verification of financial and accounting information. In addition to the powers of TAQA Morocco's Supervisory Board or Management Board, the Audit Committee is accountable to the company's Supervisory Board for:</p> <ul style="list-style-type: none"> controlling the production of information for shareholders, the public and the Moroccan Capital Market Authority; monitoring the effective execution of internal control systems, internal audits and risk management associated with TAQA Morocco; overseeing the statutory audit of TAQA Morocco's parent company and consolidated financial statements; monitoring and assessing the independence of the statutory auditor; ensuring that management takes the necessary steps to establish a culture of compliance, with ethical and legal conduct. 	<p>H.E. Saqer Salem Mohamed Binham Alameri, Chairman</p> <p>Mr. Shahab Issa Hamad Abushahab Alsuwaidi, Member</p> <p>Mr. Andres Calderon Acuna representative of Abu Dhabi National Energy Company PJSC (TAQA), Member</p> <p>Mr. Muhammad Liaqat, Member not sitting on the Supervisory Board</p>

Strategy and Business Development Committee

Role	Composition
<p>The Strategy and Business Development Committee assists and advises the Supervisory Board in carrying out its duties in terms of strategy and business development.</p>	<p>Mr. Farid Al Awlaqi, Chairman</p> <p>Mr. Andres Calderon Acuna, Member</p> <p>Mr. Alastair James Mulligan, Member</p>

Nomination and Remuneration Committee

Role	Composition
<p>The role of the Executive Appointments and Compensation Committee is to assist Supervisory Board members in matters relating to the appointment and compensation of Executive Board members. It is responsible for making recommendations to the Supervisory Board regarding the selection and appointment of Executive Board members, as well as remuneration policy.</p>	<p>Mr. Andres Calderon Acuna, Chairman</p> <p>Mr. Nabil Almessabi, Member</p> <p>Mr. Alastair James Mulligan, Member</p>

Supervisory Board meetings

In 2023, the TAQA Morocco Supervisory Board met four times to review and discuss the company's strategy and development projects, operational and financial performance, and safety. It also looked at annual and half-year financial accounts, as well as governance issues.

Attendance rate at Supervisory Board and Committee meetings

Name	Position	Date of appointment to the Board	Term of office	Supervisory Board	Business Strategy and Development Committee	Appointment and Compensation Committee	Audit Committee
Farid Saleh Farid Mohamed Al Awlaqi	Chairman of the Supervisory Board	June 07, 2021	12 years and 6 months	4/4	100 %		
Alastair James Mulligan	Vice-Chairman of the Supervisory Board	February 22, 2023	11 months	4/4		100 %	
Saqer Salem Mohamed Binham Alameri	Independent Director	April 23, 2019	4 years and 9 months	4/4			100 %
Shahab Issa Hamad Abushahab Alsuwaidi	Independent Director	June 24, 2022	1 year and 6 months	4/4			
Saeed Hamad Obaid Abuqata Aldhaheiri	Non-executive Director	June 24, 2020	3 years and 6 months	4/4			
Andres Calderon Acuna representing Abu Dhabi National Energy Company PJSC (TAQA)	Non-executive Director	June 24, 2020	3 years and 6 months	4/4	100 %	100 %	100 %
Nabil Abdulqader Hadi Alqubali Almessabi	Non-executive Director	February 22, 2023	11 months	4/4			100 %
Ahmed Ali Mohamed Ali Alshamsi	Non-executive Director	June 7, 2023	6 months	4/4			

MANAGEMENT BOARD

The Management Board's mission is to deploy the strategic direction, ensure good operational performance and the development of the company. It has six members, of whom two are women and met regularly throughout 2023. To ensure the smooth running of its activities, it relies on 6 committees.

MANAGEMENT BOARD MEMBERS



Abdelmajid
IRAQUI HOUSSAINI

[Chairman of the Management Board](#)

Abdelmajid Iraqui Houssaini, graduated from Eastern Michigan University (USA) with a degree in Finance and an MBA. He started his career as a Financial Representative at Metropolitan Life Insurance in the USA. He later joined CMS Generation in 1999 as a Senior Analyst before becoming Director in charge of Business Development and managing the financial side of the Group's operations in Morocco. In 2007, Mr. Abdemajid Iraqui Houssaini was appointed Country Manager of the TAQA Group

in Morocco, and also served as Chairman of the Supervisory Board of Takoradi International Company (TICO), a 330 MW gas-fired combined cycle Power Plant in Ghana. Back in 2016, Abdelmajid Iraqui Houssaini took over as Acting CEO of TAQA Group's Power & Water segment, until 2020. He was in charge of steering the development and growth of the Group's portfolio of industrial power and water assets in UAE, Morocco, USA, Oman, India and Ghana.



Omar
ALAOUI M'HAMDI

[Deputy Chief Executive Officer
Director of Finance and Development](#)

Omar Alaoui M'Hamdi received his degree from the Institut Supérieur de Commerce de l'Administration des Entreprises (ISCAE) and is a Certified Public Accountant of the Ordre des Experts Comptables Paris/Ile de France region. He also holds a certificate in Management and Leadership «Advanced Management Program» from the Institut Européen d'Administration des Affaires (INSEAD). Following an earlier experience as a Senior Consultant at PricewaterhouseCoopers in auditing and consulting, he joined JLEC in September 2004 in financial control, then TAQA North Africa in April 2009, as Business Manager in charge of the TAQA Group financial operations in Morocco. Since March 2011, he serves as Deputy CEO and Director of Finance and Business Development of TAQA Morocco. He is also a member of the Management Board of TAQA Morocco, JLEC 5 & 6 and a member of the Board of Directors of Takoradi International Company Limited (TICO), the TAQA Group's Thermal Power Plant in Ghana.



Fadoua
MOUTAOUAKIL

[Director of Strategy, M&A and Risk Management](#)

Holder of the National Diploma of Accounting Expertise, Morocco, and of the IFRS certificate from INTEC, France, Mrs. Fadoua Moutaouakil is a certified public accountant. She currently holds the position of Director of Strategy and Risk Management at TAQA Morocco. She has more than 20 years of experience and started her career in 1999 at PricewaterhouseCoopers (PwC) in audit, consulting and consolidation. Fadoua Moutaouakil joined the Al Mada Group (formerly ONA) in 2003 where she successively held senior positions in the fields of Finance, Investment and Strategy, notably Financial Director at ONA-SNI, Director of Strategy and Finance and member of the Management Board at Optorg. Fadoua Moutaouakil has served also as Director of several companies both in Morocco and abroad.



Mehdi
BELGHITI

[Director of Business Support & Transformation](#)

Mehdi Belghiti is a graduate of the Ecole Polytechnique de Lausanne, he holds an engineering degree. He started his career in 2002 with the investment bank CFG Group. In 2004, he joined the COMANAV Group as General Secretary before taking up the position of Deputy General Manager after the privatization of the company. In 2008, he joined the ADDOHA Group as Deputy Managing Director in charge of Finance and Resources. From October 2012, he joined TAQA Morocco as Director of the Support Division and became a Member of the Management Board in 2015.



Fatima
BENDAHBIA

[Chief Operating Officer](#)

Fatima Bendahbia is a State Engineer in Mechanical Engineering, specializing in energy, from the Mohammedia School of Engineers. She also holds a DESS in Human Resources from the Institute

of Business Administration of the Robert Schuman University in Strasbourg (2005) and an MBA in International Management from the Ecole Nationale des Ponts et Chaussées (2008). Mrs. Bendahbia started her career at ONE in 1993 as head of the methods office until 1997 when she joined JLEC (now TAQA Morocco) as head of the methods office. She was appointed Deputy Director of the Strategy and Maintenance Planning Department in 1999 until 2000, when she took over the position of the Deputy Director of the Strategy and Maintenance Planning Department. In 2008, she became Director of Human Resources until 2013 when she was named Director of the Technical and Engineering Division. In 2018 she was promoted to General Manager of the Jorf Lasfar Thermal Power Plant and member of the Management Board.



Saïd
EL MAMOUNI

[Executive General Counsel](#)

Saïd El Mamouni is a graduate in Business Law from the Rabat Faculty of Law, he has served as head of the legal departments for various Moroccan and multinational companies operating in different sectors of activity. He started his career in 1993 in the field of insurance, and then joined TOTAL Maroc in 1995 where he headed the Legal, Insurance and Property Management Department for over 9 years. In 2004, he joined Bank Al Maghrib as Deputy Legal Director before joining Altadis Morocco (now Imperial Tobacco) in 2006 as Legal Director. He then joined the OCP Group in 2009 as Legal Director for the Chemicals and Mining divisions, and then the ADDOHA Group as Legal Director for Africa. In 2014, he joined TAQA Morocco where he is General Counsel and Secretary to the Management Board.

ROLE OF MANAGEMENT BOARD COMMITTEES



Executive Committee

The Executive Committee is responsible for all matters relating to the strategy, development and organization of the TAQA Morocco Group. To this end, it takes all decisions necessary to achieve TAQA Morocco's operational and financial objectives.

Works Council (Employee Representative Committee)

The Works Council is consulted on matters relating to structural and technological changes that are expected to occur within the company, TAQA Morocco's production strategy, and actions plan to improve profitability. It also provides recommendations on the development of social projects for the benefit of employees and the follow-up of their implementation, on the HR report, on learning programs and on induction and continuing training.

Governance, Risk Management and Compliance Committee

The Governance, Risk Management and Compliance Committee regularly assesses the Group's overall approach as well as the risk management procedures.

In addition, it is in charge of allocating specific resources and creating a shared framework for risk identification and management. It ensures the deployment of best practices and international standards in operational risk management, monitors the execution of the annual audit plan and internal control plan as approved by the Audit Committee, and implements the Company's data governance. Last but not least, it is responsible for ensuring ongoing compliance with the applicable regulatory framework.

Hygiene, Occupational Safety and Security Committee

In accordance with the legal and regulatory provisions of the Social Dialogue Charter, the Hygiene, Occupational Security and Safety Committee is in charge of ensuring the application of legal and regulatory provisions relating to Safety, Hygiene and Health protection in the workplace, and for monitoring and coordinating safety measures within TAQA Morocco.

Corporate Social Responsibility and Citizenship Committee

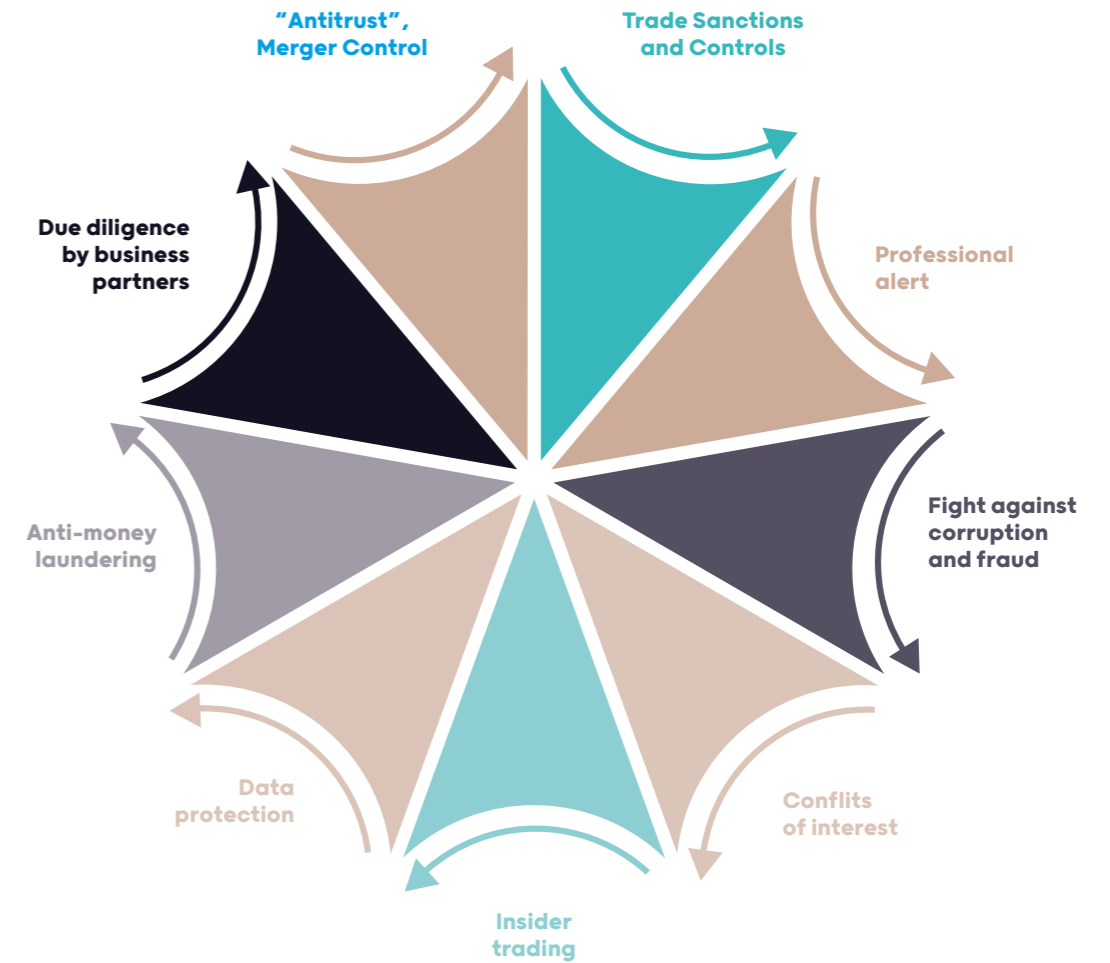
The primary duty of the Corporate Social Responsibility and Citizenship Committee is to develop, propose, codify, and monitor the Company's CSR strategy. It is also in charge of monitoring the CSR scorecard and constantly analyzing the CSR approach and its impact on the company's performance. It is in charge of creating a sponsorship action plan at the start of each year in line with the company's directives and guidelines, and ensuring that it is adhered to. This committee reports the results of the CSR strategy to the company's Supervisory and Executive Boards.

Organization, Remuneration and Social Dialogue Committee

The Organization, Remuneration and Social Dialogue Committee has two missions. The first is workplace organization and employee remuneration. This involves assisting the Executive Board in matters of remuneration, organization plans, succession planning and employee training. The second mission is Social Dialogue. The objective of this mission is to maintain a healthy and serene social climate through the coordination and supervision of the actions and work of the Social Dialogue Commission, created and operating in accordance with TAQA Morocco's Social Dialogue Charter.

STRENGTHENING TAQA MOROCCO'S ETHICS & COMPLIANCE SYSTEM

TAQA Morocco has established a compendium of internal policies and procedures governing ethics and compliance within the organization. These policies address:



A due diligence methodology has been implemented as part of a new policy for assessing business partners. This procedure seeks to identify persons who pose possible ethical and compliance issues (or threats), particularly in relation to international sanctions and trade regulations that could have an impact on

the TAQA Group's reputation. This procedure has been properly implemented, allowing us to assess the level of compliance of our business partners, the vast majority of whom are satisfied.

Actions taken to prevent corruption in 2023	
Percentage of anti-corruption policy disseminated to employees	100%
Percentage of governing body members trained in anti-corruption practices	100%
Percentage of employees who have received anti-corruption training	100%

Measures taken in response to incidents of corruption in 2023	
Total number of proven cases of corruption	0
Total number of documented cases where corruption/bribery resulted in an employee's contract termination or disciplinary actions	0
Total number of documented cases in which contracts with business partners were terminated or not renewed due to corruption-related violations	0

APPOINTMENT OF A COMPLIANCE OFFICER

To comply with circular no. 01/05 on ethical norms governing communications within publicly traded companies, put in place to protect investor interests and the integrity of financial markets, TAQA Morocco has appointed a compliance officer. – This role is assured by the Finance Director who is responsible for putting in place and rolling out compliance rules, and ensuring that employees with privileged information always comply with the rules.

SHAREHOLDER RELATIONS

Under the regulatory requirements, TAQA Morocco keeps its shareholders regularly informed through its website where all the legal publications required for any company listed on the stock exchange are recorded.

Over the course of 2023, TAQA Morocco has published its financial information on the basis of the following schedule:

- ▶ Press release on the results of the financial year 2022: 02/24/2023
- ▶ Press release on the new appointments to the Supervisory Board: 03/14/2023
- ▶ Notice of meeting of the ordinary general meeting of May 23, 2023: 04/21/2023
- ▶ Press release on the publication of the 2022 Annual Financial Report: 04/21/2023
- ▶ Press release on the results of Q1 2023: 05/12/2023
- ▶ Post-GM press release of May 23, 2023: 05/24/2023
- ▶ Press release on the replacement appointment of a member of the Supervisory Board: 06/26/2023
- ▶ Press release on the results of Q2 2023: 08/29/2023
- ▶ Press release on the completion of a MAD 6.6 billion fund-raising to reprofile its debt, as part of its low-carbon growth strategy: 09/13/2023
- ▶ Press release on the results for H1 2023: 09/20/2023
- ▶ Press release on the results of Q3 2023: 11/10/2023
- ▶ Press release regarding the signing of a memorandum of understanding between TAQA Morocco and Nexans for the supply of renewable electrical energy to Nexans' industrial sites in Morocco: 12/15/2023

All the press releases listed above are available on the TAQA Morocco website:

 <https://www.taqamorocco.ma/en/investors/financial-reports-and-presentations>

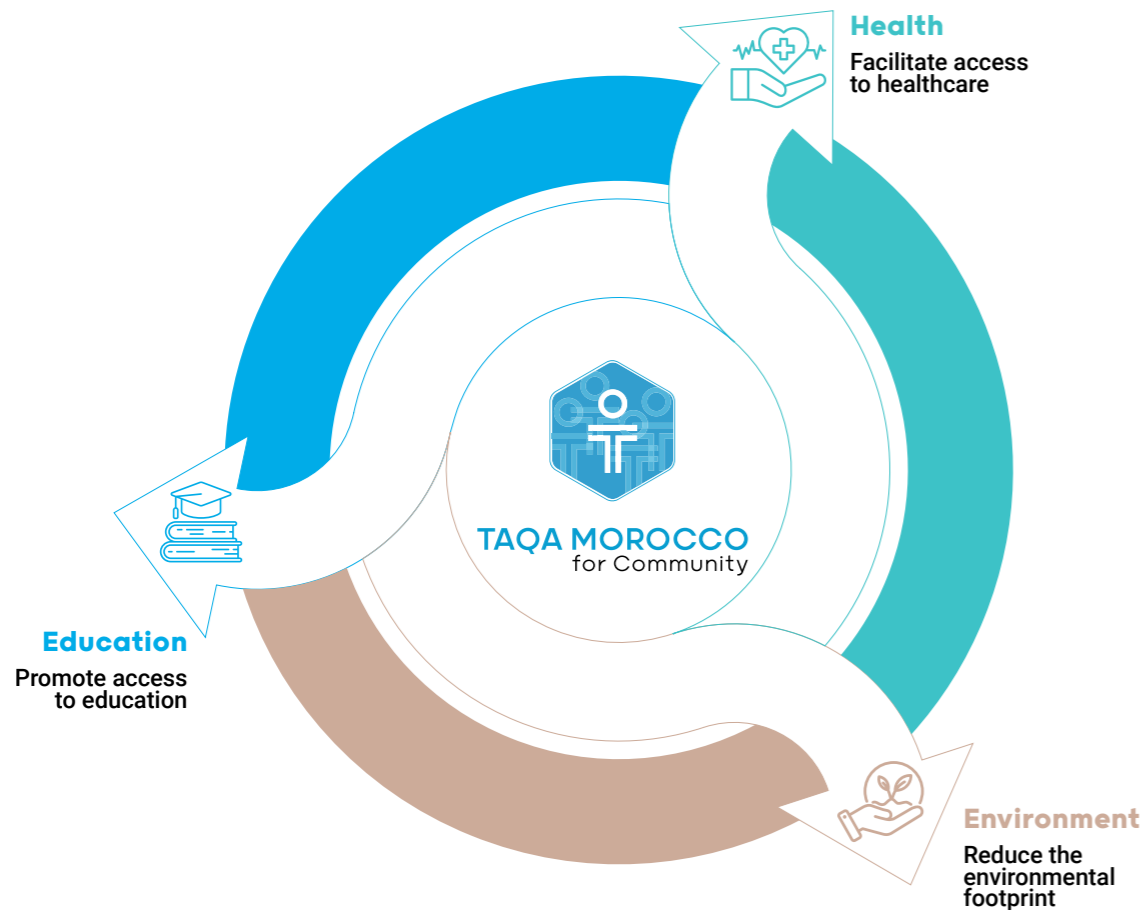


A player in community development and positive social impact

TAQA Morocco has formalized its commitment to society with a policy that incorporates all of its initiatives: TAQA Morocco For Community. This demonstrates the company's strong dedication to making a lasting and direct impact on the citizens' quality of life, with a mission to contribute to economic and social progress.

TAQA Morocco For Community is an aspiration for social progress and a catalyst for civil society through education initiatives, health programs and the implementation of energy-efficient solutions for the preservation of the environment in communities.

Contributing to economic and social development TAQA Morocco For Community



32,575 direct and indirect beneficiaries in 24 projects and associations supported with a budget of around 6 million dirhams

EDUCATION

TAQA MOROCCO FOR COMMUNITY, A CIVIL SOCIETY PARTNER IN EDUCATION DEVELOPMENT



Addressing the national imperative of rural education

Launched in 2021 in collaboration with The Zakoura Fondation, the initiative to establish a pre-school in the rural commune of Sidi Ismail (Province of El Jadida) seeks to enhance pre-school education in the area by offering a nurturing and engaging space for young children to study. In order to address the national priority of educational renewal and help bring about the New National Development Model, TAQA Morocco is partnering with the Zakoura Foundation's ANEER (National Initiative for Early Childhood Education in Rural Areas) program through this project.

The ANEER pre-school in Sidi Ismail commune has helped kids get a head start on school by providing them with academic support and a community-based pre-school education model. Almost forty mothers benefited from parenting classes, which included workshops on the difficulties of pre-schooling among other topics.

In 2023, the Sidi Ismail school enrolled 48 children aged between 4 and 5 (52% of whom were girls), with an absenteeism rate exceptionally low (0.2 children per day) and increased parental involvement in monthly meetings. The village's children also attended environmental awareness sessions twice a month.

The Sidi Ismail school hosted 14 sessions as part of its parental advice program to raise parents' understanding of the importance of their participation in developing their children's social, cognitive, and sensory skills. An average of 39 mothers attended each session. The agenda consisted of open talks and discussions on childcare and education subjects, with an average attendance percentage of 94%.

To improve the region's associative fabric, the Sidi Ismail school hosted two coaching and training sessions for a local association on themes such as project management, partnership building, and resource mobilization. A support plan has been implemented to ensure the long-term viability of this business and strengthen its role.

Contribute to the smooth running of the Bab Rayan children's home



As a partner of the Bab Rayane association, TAQA Morocco has chosen to make a positive impact on the lives of children in difficulty, to protect them and offer them every chance of aspiring to a brighter future.

As part of this partnership, TAQA Morocco contributes financially to the fitting out and running of the Bab Rayan home. It takes in orphans from the age of 3, and can accommodate up to 105 children. Alongside the home, the Association also runs an elementary school, which uses advanced teaching methods adapted to the needs of children with learning disabilities. The Bab Rayan school's educational project aims to prevent school failure and drop-out among children from modest socio-economic backgrounds.



Guaranteeing access to higher education in the health sciences through the Abulcasis grant

TAQA Morocco, a long-time partner of the Abulcasis International University of Health Sciences, covers the tuition expenses for students admitted to several university courses (cardiology, ophthalmology, internal medicine, traumatology, and urology). Through its Excellence Scholarship program, TAQA Morocco contributes to the financial inclusion of students and future doctors, consequently increasing the capacity of Morocco's healthcare system. During the 2022-2023 academic year, the Aboulcasis scholarship enabled eight outstanding students to continue their studies.



Developing the skills and knowledge of future leaders with The Jadara Foundation

In keeping with its commitment to community, TAQA Morocco supports the JADARA Foundation's sponsorship program for young Moroccans. Through this collaboration, TAQA Morocco has assured the sponsorship of 5 students with grants covering their tuition expenses, daily requirements, and assistance in developing the skills required to succeed in their academic studies.

In addition to caring for JADARA Foundation scholarship holders, TAQA Morocco invests in mentorship programs that connect students with experienced professionals in their fields of study. During the year 2023, two TAQA Morocco professionals were able to share their experiences and guide two students to help them succeed academically and professionally.

TAQA Morocco's Educational Open Days: Bridging Students with Industry Insights

In 2023, TAQA Morocco hosted a number of open days where it welcomed pupils and students to learn more about the company's activities and know-how. EST students and high school students were able to learn about TAQA Morocco's operations.



Positive education: Partnership with the Zakoura Foundation

TAQA Morocco and the Zakoura Foundation collaborated to organize a parenting coaching and positive education module for 48 educators and mothers. The primary goal of this method is to help youngsters attain their maximum potential while also encouraging empowerment and personal growth.



HEALTH

Bringing medical care to people in remote regions

TAQA Morocco collaborated with the Sheikh Zaid Foundation to arrange 6 medical caravans, providing healthcare access to underprivileged areas. These interdisciplinary mobile units, comprised of medical and paramedical teams, are specifically designed for landlocked regions. In 2023, these caravans performed a total of 2,792 consultations, including ophthalmological surgery, radiography, ECG, biological check-ups, and pharmacy. These caravans visited various rural and urban communes around the Kingdom (Sidi Abded, Sidi Bennour, El Kelaâ des Sraghna, Tlat Taghrmat/Fahs Anjra, Allyene, and Mdiq).



Providing care for residents of the Ain Atiq Center

In close collaboration with the Sheikh Zaid Foundation, TAQA Morocco has initiated a care program for residents of the Ain Atiq social welfare center. This initiative involved the supply and installation of equipment for the medical exploration units, as well as the optimal logistical arrangement of the consumables needed for their operations. It involved the mobilization of a team of medical and paramedical specialists, allowing some of the center's inhabitants to get essential and critical medical care.

Mobilizing to help El Haouz earthquake-stricken villages

In response to the national mobilization request following the El Haouz earthquake, TAQA Morocco established a medical caravan in Tlat N'Yacoub to assist victims. This project helped to care for 787 persons while also supporting local teams and authorities. In addition, TAQA Morocco volunteers followed a convoy carrying donations for the residents of the earthquake-affected villages.

TAQA Morocco also organized an awareness campaign to encourage its employees to donate blood at the Casablanca and El Jadida blood transfusion centers.

This commitment to the disaster-stricken region of El Haouz will carry on in 2024, with the reactivation of new medical caravans and a focus on education in the area.



ENVIRONMENTAL PROTECTION



Promoting self-generation of electricity in remote villages

TAQA Morocco's ambition for the development of renewable energies also extends to its community initiatives, providing them with the know-how and support they need to make the energy transition.

In 2023, TAQA Morocco partnered with the Zakoura Foundation to electrify schools in remote areas in the Chefchaouen region. The company's employees were sent to install photovoltaic panels and electrify six schools in the region. In the end, this operation made it possible for 104 students to have access to energy in an independent, sustainable, and responsible way, providing them with a sufficient educational foundation for the first year.



Access to renewable energy for 6 schools with over 104 pupils per year.



For this report, TAQA Morocco wishes to clearly present its commitments in a manner consistent with the AMMC circular, and that references to them are correctly included and aligned with the information and data provided in the sections of this report.

Reporting period Period from January 01, 2023 to December 31, 2023.

Reporting principles used AMMC Circular Annex III.2.M

Applicable standard ISO 26000

"AMMC Circular Annex III.2.M".	ODD	Pages
I. Profile of the issuer	16	2 ; 8-17 ; 20-29
I. Corporate social responsibility strategy	16	36-39
I. Standards used to prepare the report	16	33
I. ESG reporting scope	16	33
I. Methodological note on ESG data collection	16	33
I. Materiality analysis	16 - 17	34-35
I. Certification by the external verifier of ESG data	16	-
I. Explanation of parts of the standards not adopted by the issuer	16	-
II.1. Activities and their impact on the environment	16 - 17	40-47
II.1. Environmental policy	16	38-39 ; 40
II.1. Actions and measures to assess and minimize impacts	16	38-39 ; 40-47
II.1. Waste management and disposal measures	6 - 13. 14-15	45-47
II.1. Water consumption and optimization measures	6	44
II.1. Energy consumption and optimization	7 - 9 - 11 - 12	43
II.1. Raw materials consumption and optimization measures	12 - 15	-
II.1. Environmental litigation and lawsuits	16	-
II.2. HR policy - Gender equality	5	56-57
II.2. HR Policy - Training	4	52-54
II.2. HR Policy - Career management	8	52-54
II.2. HR Policy - Integration of disabled people	10	56-57
II.2. HR Policy - Recruitment	8	-
II.2. HR Policy - Compensation	10	59
II.2. Workforce - Overall breakdown by seniority	8	59
II.2. Workforce - Overall breakdown by gender	5	59
II.2. Workforce by industry	8	59
II.2. Workforce by category and gender	5	59
II.2. Workforce by type of contract	8	59
II.2. HR indicators - Recruitment by category	8	59
II.2. HR Indicators - Resignations by category	8	59
II.2. HR indicators - Redundancies by category	8	59
II.2. HR Indicators - Work-related accidents	3 - 8	80-81
II.2. HR Indicators - Strike days	8	58

"AMMC Circular Annex III.2.M".	ODD	Pages
II.2. HR indicators - Individual and collective labor disputes	8	58
II.2. HR indicators - Employee representatives	8	58
II.2. Profit-sharing schemes	8	-
II.3. Composition of the governance body	16	60-65
II.3. Composition of the governance body - Executive and non-executive members	16	63-65
II.3. Composition of the governance body - Independent members		63-65
II.3. Composition of the Board of Directors - Criteria for qualifying as an independent director	16	62
II.3. Composition of the governance body - Appointment dates and terms of office of members of the governance body	16	63-65
II.3. Composition of the governance body - Functions within the governance body, stakeholder representation	16	63-65
II.3. Composition of the governance body - Parity and monitoring rules	16	62
II.3. Composition of the governance body - Number of directorships per director	16	63-65
II.3. Composition of the governance body - Age of directors	-	-
II.3. Composition of the governing body - Nationality of directors	-	60-61
II.3. Composition of the governance body - Qualifications and experience of directors	16	63-65
II.3. Composition of the governance body - Specialized committees and their composition	16	66-67
II.3. Composition of the governance body - Attendance at Board meetings	16	60-61
II.3. Composition of the governance body - Directors' compensation	16	62
II.3. Composition of the governance body - Executive compensation	16	62
II.3. Composition of the governance body - Relations and communication with shareholders	16	72
II.3. Composition of the governance body - Process for assessing the governance body's ESG performance	16	61
II.3. Actions taken to prevent corruption	16	62 - 71
II.3. Measures taken following incidents of corruption	16	71
II.4. Economic and social impact on local communities and local development	1 - 2 - 3 - 4 - 13	74-78
II.4. Impact of investment in infrastructure and public services	9	74-78
II.4. Corrective actions following potential or proven negative impacts of activities on the local communities	16	-
II.4. Conditions for dialogue with stakeholders	16	34-35
II.4. Stakeholder selection policy and criteria	16	34-35
II.5. CSR objectives and commitments	16 - 17	36-39
II.5. CSR achievements over the last three years	16 - 17	42-46 ; 50 ; 54 ; 58-59
II.5. Impact of CSR actions on economic and financial performance	16	36-37
II.5. Articulating the CSR approach around business objectives	16 - 17	9 ; 18-19

04

ANNUAL ACCOUNTS & REPORTS



TAQA MOROCCO

Public limited company with a Management Board and a Supervisory Board;
a Share Capital of MAD 2,358,854,200
Head Office: Commune Moulay Abdellah, Route régionale 301,
PK 23, Centrale Thermique de Jorf Lasfar, El Jadida
El Jadida – Trade Register no. 2145

FINANCIAL REPORT TO DECEMBER 31, 2023

1. PRESENTATION OF TAQA MOROCCO

TAQA Morocco is one of Morocco's most prominent independent power producers. As a result of Morocco's will to provide the resources needed for industrialization and economic development, the country established the firm in 1997 to diversify its energy mix. With 35% of the country's demand and 18% of its installed capacity, TAQA Morocco is the leading private electricity producer. Since its listing on the Casablanca Stock Exchange in December 2013, TAQA Morocco has strived to become a leading energy operator in Morocco. The company is committed to bolstering the national water plan and the low-carbon strategy of Morocco's energy mix.

As a company, TAQA Morocco believes in CSR from the ground up. Responsible management of manufacturing units in accordance with environmental standards and civic activity are two aspects of the company's philosophy of social commitment and sustainable development. Not only has the Jorf Lasfar Thermal Complex planned ahead for the technology choices made by its equipment, but it has also established a thorough environmental management program that encompasses the whole value chain, from the quality of its fuel to the management of its by-products. An operational and industrial ecology model that has been ISO 14001 certified since 2004.

2. COMPANY ACTIVITY DURING THE YEAR ENDED

2.1 Macroeconomic environment:

a) The USD/MAD exchange rate

The average USD/MAD exchange rate has fallen by 1%, from 10.20 in 2022 to 10.13 in 2023.

b) Coal prices

The average purchase price of coal has fallen from an average of \$170/metric ton in 2022 to an average of \$136/metric ton in 2023, as a result of the downward trend in international prices.

2.2 Business overview

The main highlights of the power plant's activity are as follows:

- ▶ The overall annual availability of Units 1 to 6 of the Power Plant reached a percentage of 93.7% in 2023 compared to 93.9% in 2022;
- ▶ The completion of planned minor overhauls of Units 1 and 5, in accordance with the maintenance plan.

2.3 Other highlights

- ▶ The TAQA Morocco Group has raised MAD 6.6 billion from Moroccan banks via its company JLEC 5&6, with a 19-year maturity date of 2042.
- ▶ This transaction resulted in the early repayment of the outstanding amount of the first project financing contract signed by the JLEC 5&6 subsidiary with a consortium of foreign and Moroccan banks, totaling MAD 3.3 billion.
- ▶ This acquisition strengthens the company's financial partnerships while also supporting TAQA Morocco's low-carbon agenda. It reflects the national market's trust in the company's future growth possibilities.

3. POST CLOSING EVENTS

None.

4. PRESENTATION OF THE ANNUAL ACCOUNTS

4.1 Statutory accounts

4.1.1 Income statement

In MMAD	Dec-23	Dec-22	Var 23/22	Var 23/22 in %
Capacity charges	1,817	1,829	-12	-0.7%
Energy payments	5,171	5,936	-766	-12.9%
Other revenues	258	233	25	10.7%
Turnover	7,246	7,999	-753	-9.4%
Production	7,246	7,999	-753	-9.4%
Purchases of materials and supplies	5,446	6,264	-818	-13.1%
Other external expenses	213	183	29	16.1%
Expenditures for the year	5,659	6,447	-788	-12.2%
Value added	1,587	1,552	35	2.3%
Value Added Rates (VA/Revenue)	21.9%	19.4%	2.5%	25 pbs
Taxes	24	23	0	2.1%
Payroll	217	225	-8	-3.5%
Gross operating income	1,346	1,304	43	3.3%
Gross Operating Margin (EBITDA/Revenue)	18.6%	16.3%	2.3%	23 pbs
Other operating income	0	3	-3	-95.6%
Operating reversals, expenses transfers	38	99	-60	-61.2%
Other operating expenses	4	4	0	0.0%
Amortization	366	385	-19	-4.9%
Operating profit	1,015	1,017	-2	-0.2%
Operating margin (Operating profit / Revenue)	14.0%	12.7%	1.3%	13 pbs
Financial income	1,885	422	1,463	347.2%
Dividends	1,838	396	1,442	364.2%
Foreign exchange gains	1	11	-10	-90.0%
Interest and other financial income	45	10	34	335.0%
Financial reversals, expense transfers	1	4	-3	-76.7%
Financial expenses	269	178	91	51.2%
Interest expenses	159	172	-13	-7.3%
Exchange losses	109	5	104	2123.2%
Financial allowances	0	1	-1	-91.6%
Financial income	1,616	244	1,372	562.7%
Current income	2,631	1,260	1,371	108.7%
Non-current income	28	54	-27	-49.0%
Other non-current income	0	25	-25	-99.7%
Non-current reversals, expense transfers	28	29	-2	-5.9%
Non-current expenses	71	93	-23	-24.3%
Other non-current expenses	48	66	-18	-27.0%
Non-current allowances	23	28	-5	-18.0%
Non-current income	-43	-39	-4	9.9%
Income before tax	2,588	1,221	1,367	111.9%
Corporate income tax	243	282	-39	-13.8%
Net income	2,346	940	1,406	149.6%
Net Margin (Net income/Revenue)	32.4%	11.7%	206 pbs	

a) Operating income analysis

At December 31, 2023, revenues amounted to MMAD 7,246 compared with MMAD 7,999 in 2022. This evolution is mainly due to a 12.9% reduction in energy payments, essentially due to the downward trend in the price of coal on the international market.

Operating income showed a slight decline compared to December 31, 2022, owing primarily to a year-over-year shift in coal procurement prices relative to the API II benchmark.

b) Financial result analysis

The following table shows the structure and evolution of the financial result over the period 2022-2023:

In MMAD	2023	2022	Var. 23/22
Financial income	1,885	422	347%
Dividends	1,838	396	364%
Foreign exchange gains	1	11	-90%
Interest and other financial income	45	10	335%
Financial reversals, cost transfer	1	4	-77%
Financial costs	269	178	51%
Interest expenses	159	172	-7%
Exchange losses	109	5	2123%
Financial allowances	0	1	-92%
Financial results	1,616	244	563%

At the end of 2023, net financial income amounted to MMAD 1,616 compared with MMAD 244 at the end of 2022. This increase of MAD 1,372 is mainly due to:

- ▶ The increase in dividends to be distributed by the subsidiary JLEC 5&6 for an amount of MMAD 1,442;
- ▶ An increase in interest on investments of MMAD 34;
- ▶ A decrease in foreign exchange gains of MMAD 117, due to changes in the USD/MAD and EUR/MAD exchange rates compared with fiscal 2022;
- ▶ The decrease in interest expenses of MMAD 13 was mainly due to the reduction in outstanding debt.

c) Non curring income analysis

Non-current income amounted to MMAD (43) at December 31, 2023 and mainly includes the Contribution Sociale de Solidarité ("Social Solidarity Contribution" – CSS).

Balance sheet:

In MMAD	2023	2022
ASSETS		
Assets	5,687	5,861
Non-valuable assets	49	7
Intangible assets	4,219	4,398
Tangible fixed assets	217	255
Financial assets	1,202	1,201
Current assets	3,947	4,920
Inventory	1,266	1,546
Receivables from current assets	2,672	3,361
Exchange rates differences – Assets	9	14
Cash and cash equivalents – Assets	1,827	1,175
Bank deposits, Cash and PO	27	768
Short term investments	1,799	407
Total ASSETS	11,461	11,956
LIABILITIES		
Permanent funding	9,567	8,304
Shareholders' equity	6,243	4,723
Financing debts	3,301	3,554
Long-term provisions for risks and liabilities	23	28
Debts from current liabilities	1,875	2,960
Other provisions for risks and liabilities	3	4
Translation differences – Liabilities (current items)	15	58
Cash and cash equivalents – Liabilities	0	630
Total LIABILITIES	11,461	11,956

The total balance sheet shows a downward trend by 4% explained as follows:

- ▶ The decrease in fixed assets of MMAD 173, mainly due to investments for the year 2023 for MMAD 183 as well as depreciation charges for the year for MMAD 357;
- ▶ Decrease in current assets of MMAD 974, mainly as a result of:
 - The decrease in trade receivables for an amount of MMAD 436 due to lower energy payments following the drop in coal prices on the international market;
 - The decrease in inventory accounts for MMAD 280 (mainly coal inventory for MMAD 291 due to a quantity effect and price effect);
 - The increase in tax receivables of MMAD 149 (mainly VAT credit accounts);
 - The decrease in dividends receivable from the subsidiary JLEC 5&6 for MMAD 426.
- ▶ Increase in net cash of MMAD 1,282 due to the increase in working capital of MMAD 1,436 and an increase in working capital requirements of MMAD 154.

The main changes in balance sheet liabilities are analyzed below:

- ▶ An increase in shareholders' equity of MAD 1,520 million, resulting from the recognition of net income in 2023 for MAD 2,346 million and dividends distributed in 2023 for MMAD 826;
- ▶ Decrease in financing liabilities of MMAD 252 due to repayments during the year;
- ▶ Decrease in current liabilities of MMAD 1,085 analyzed as follows:
 - The decrease in trade payables of MMAD 925 (mainly coal suppliers' accounts);
 - The decrease in tax payables of MMAD 113 (mainly invoiced VAT accounts);
 - The increase in translation adjustment liabilities for MMAD 42.

4.2 Consolidated accounts

4.2.1 Consolidated income statement

En Mdh	2023	2022	Var 23/22	Var 23/22 en %
Capacity charges	4,252	4,305	-54	-1.2%
Energy payments	8,579	8,989	-410	-4.6%
Other revenues	360	309	50	16.3%
Revenues	13,191	13,604	-413	-3.0%
Other operating income	0	3	-3	-95.6%
Operating write-backs & transfer of charges	7	24	-17	-71.9%
Total operating income	13,198	13,631	-433	-3.2%
Purchases and other external expenses	9,312	9,549	-237	-2.5%
Taxes	25	24	0	2.0%
Payroll	295	301	-5	-1.7%
Other operating costs	4	4	0	0.0%
Depreciation and provisions	854	840	14	1.7%
Total operating expenses	10,490	10,718	-228	-2.1%
Operating income	2,708	2,913	-205	-7.0%
Operating margin (Rex/Sales)	20.5%	21.4%		-9 pbs
Financial result	-584	-381	-203	53.2%
Current income	2,124	2,532	-408	-16.1%
Non-current income	-98	-85	-13	15.3%
Income before taxes	2,026	2,447	-421	-17.2%
Pre-tax margin (EBIT/Sales)	15.4%	18.0%		-26 pbs
Income tax	677	770	-93	-12.1%
Consolidated net income	1,349	1,677	-328	-19.5%
Net margin (NI/Sales)	10.2%	12.3%		-21 pbs
of which net income – Group share	1,037	1,303	-265	-20.4%
including minority interests	312	374	-62	-16.7%

Consolidated revenues amount to MAD 13,191 million in 2023, compared with MAD 13,604 million in 2022, mainly due to lower energy payments following the reduction in the purchase price of coal on the international market.

Consolidated operating income amounted to MMAD 2,708 compared with MMAD 2,913 in 2022. This change is mainly due to the lower average purchase price of coal compared with the API 2 international market benchmark.

Net financial expense fell by MMAD 203, from MMAD (381) in 2022 to MMAD (584) in 2023, mainly due to an exceptional exchange loss resulting from changes in the USD/MAD exchange rate.

Net income, Group share amounted to MAD 1,037 million in 2023, compared with MAD 1,303 million in 2022.

4.2.2 Consolidated balance sheet

In MMAD	2023	2022	Var 23/22
ASSETS			
Fixed assets	12,728	13,577	-6.3%
Intangible assets	4,597	4,712	-2.4%
Tangible fixed assets	7,887	8,286	-4.8%
Financial assets	1	1	-2.5%
CURRENCY TRANSLATION ADJUSTMENT	243	578	-57.9%
Current assets	5,284	6,558	-19.4%
Inventories and work in progress	2,106	2,606	-19.2%
Operating receivables	2,109	2,884	-26.9%
Other receivables	1,069	1,068	0.1%
Cash & cash equivalents – assets	4,234	2,399	76.5%
of which cash investments	3,365	1,124	199.5%
Total ASSETS	22,247	22,534	-1.3%
LIABILITIES			
Permanent funding	18,173	16,752	8.5%
Consolidated shareholders' equity	7,130	7,553	-5.6%
Capital	2,359	2,359	0.0%
Consolidated reserves	3,041	2,564	18.6%
Net income, Group share	1,037	1,303	-20.4%
Group Shareholders equity	6,438	6,226	3.4%
Group share minority interests	692	1,327	-47.8%
Provisions for risks and charges	23	28	-18.0%
Financing debts	11,021	9,090	21.2%
EXCHANGE DIFFERENCE LIABILITIES	0	81	-100.0%
Current liabilities	4,073	4,907	-17.0%
Operating liabilities	2,328	2,964	-21.5%
Other liabilities	1,745	1,943	-10.2%
Cash liabilities	0	875	-100.0%
Total LIABILITIES	22,247	22,534	-1.3%

The main changes in consolidated aggregates are shown below:

- ▶ A decrease in consolidated fixed assets of MAD 849, mainly due to investments during the year for MAD 328 million, depreciation and amortization charges recognized as of December 31, 2023 for MAD 842 million, and a decrease in the foreign currency translation adjustment on foreign currency-denominated debt for MAD 335 million;
- ▶ Current assets decreased by MMAD 1,274, mainly due to the decline in operating receivables for MMAD 775 and inventories MMAD 500;
- ▶ Increase in net cash and cash equivalents of MMAD 2,710, due to an increase in consolidated working capital of MMAD 2,270, combined with the decrease in consolidated working capital requirements of MAD 440 million;
- ▶ Increase in consolidated shareholders' equity (group share) of MMAD 212, mainly due to the recognition of net income (group share) at December 31, 2023 for MMAD 1,037 and the distribution of dividends by the TAQA Morocco Group for MMAD 826;
- ▶ Decrease in financing liabilities of MMAD 1,931 mainly due to the repayment of JLEC 5&6 and to repayments during the year.

4.2.3 Consolidated cashflow statement

In MMAD	31/12/2023	31/12/2022	Variation	Variation en %
Net cash flow from operations (1)	2,626	2,261	366	16%
Net cash used in investing activities (2)	(328)	(242)	(87)	36%
Net cash used in financing activities (3)	412	(2,048)	2,460	-120%
Change in cash position	2,710	(28)	2,738	

(1) Increase in net cash flow from operating activities of MMAD 366, mainly explained by the decrease in working capital requirements of MMAD 877 following the fall in the price of coal on the international market.

(2) Increase in cash flow from investing activities of MMAD (87), mainly due to higher investments in plant operation and maintenance.

(3) Net cash flows from financing activities mainly related to the repayment of loans contracted for JLEC 5&6.

TAQA MOROCCO

Public limited company with a Management Board and a Supervisory Board;
a Share Capital of MAD 2,358,854,200
Head Office: Commune Moulay Abdellah, Route régionale 301,
PK 23, Centrale Thermique de Jorf Lasfar, El Jadida
El Jadida – Trade Register no. 2145

MANAGEMENT REPORT TO THE ANNUAL GENERAL MEETING

ON MAY 23, 2023

Dear Shareholders,

We invite you to an Ordinary Annual General Meeting, in accordance with the law and the Articles of Association, to (i) share with you the Company activity during fiscal year ending December 31, 2023, its financial results and our outlook and (ii) to submit for approval the financial year accounts for the considered fiscal year and the allocation of the results.

Mr. Abdelmajid Benjelloun Touimi and Mr. Adnane Faouzi, partners of Benjelloun Touimi Consulting and Deloitte, Statutory Auditors, will also provide general and special reports.

All corporate documents, accounts, reports and other materials and related information have been shared with the Shareholders.

1. COMPANY OPERATING HIGHLIGHTS DURING THE PAST FINANCIAL YEAR

1.1 Economic conditions:

a) EVOLUTION OF THE USD/MAD RATE

The average USD/MAD exchange rate has fallen by 1%, from 10.20 in 2022 to 10.13 in 2023.

b) INCREASE IN COAL PRICES

The average purchase price of coal has fallen from an average of \$170/metric ton in 2022 to an average of \$136/metric ton in 2023, as a result of the downward trend in international market prices.

1.2 Company Activities

The main highlights for the year 2023 are presented below:

- ▶ The overall annual availability level of the Plant's Units 1 to 6 reached a percentage of 93.7% in 2023, compared to 93.9% in 2022;
- ▶ Achieving the planned minor overhaul of the Units 1 and 5, in accordance with the maintenance plan.

2. SIGNIFICANT EVENTS OCCURING SINCE THE LAST FINANCIAL YEAR

Nothing to report.

3. PRESENTATION OF ANNUAL ACCOUNTS

3.1 Statutory accounts

3.1.1 Statutory income statement

In MMAD	Dec-23	Dec-22	Var 23/22	Var 23/22 in %
Capacity charges	1,817	1,829	-12	-0.7%
Energy payments	5,171	5,936	-766	-12.9%
Other revenues	258	233	25	10.7%
Revenue	7,246	7,999	-753	-9.4%
Production	7,246	7,999	-753	-9.4%
Purchases of materials and supplies	5,446	6,264	-818	-13.1%
Other external expenses	213	183	29	16.1%
Expenditure for the year	5,659	6,447	-788	-12.2%
Value added	1,587	1,552	35	2.3%
Value Added Rates (VA/ Revenue)	21.9%	19.4%	2.5%	25 pbs
Taxes	24	23	0	2.1%
Payroll	217	225	-8	-3.5%
Gross Operating Income	1,346	1,304	43	3.3%
Gross Operating Margin (EBITDA / Revenue)	18.6%	16.3%	2.3%	23 pbs
Other operating income	0	3	-3	-95.6%
Operating reversals, expense transfers	38	99	-60	-61.2%
Other operating expenses	4	4	0	0.0%
Amortization	366	385	-19	-4.9%
Operating profit	1,015	1,017	-2	-0.2%
Operating margin (Operating profit / Revenue)	14.0%	12.7%	1.3%	13 pbs
Financial income	1,885	422	1,463	347.2%
Dividends	1,838	396	1,442	364.2%
Foreign exchange gains	1	11	-10	-90.0%
Interest and other financial income	45	10	34	335.0%
Financial reversals, expense transfers	1	4	-3	-76.7%
Financial expenses	269	178	91	51.2%
Interest expenses	159	172	-13	-7.3%
Exchange losses	109	5	104	2123.2%
Financial allowances	0	1	-1	-91.6%
Financial income	1,616	244	1,372	562.7%
Current income	2,631	1,260	1,371	108.7%
Non-current income	28	54	-27	-49.0%
Other non-current income	0	25	-25	-99.7%
Non-current reversals, expense transfers	28	29	-2	-5.9%
Non-current expenses	71	93	-23	-24.3%
Other non-current expenses	48	66	-18	-27.0%
Non-current allowances	23	28	-5	-18.0%
Non-current income	-43	-39	-4	9.9%
Income before tax	2,588	1,221	1,367	111.9%
Corporate income tax	243	282	-39	-13.8%
Net income	2,346	940	1,406	149.6%
Net Margin (Net income / Revenue)	32.4%	11.7%	206 pbs	

a) Operating income breakdown

Revenues as of December 31, 2023 amounted to MMAD 7,246, compared with MMAD 7,999 in 2022. This change is mainly due to a 12.9% reduction in energy payments, essentially due to the downward trend in the coal prices on the international markets.

Operating income showed a slight decline compared to December 31, 2022, mainly due to the change in the purchase price of coal over the year compared to the API II index (benchmark).

b) Financial results analysis

Details of the financial income structure and development over the period 2022 – 2023 are outlined below:

In MMAD	2023	2022	Var. 23/22
Financial income	1,885	422	347%
Dividends	1,838	396	364%
Foreign exchange gains	1	11	-90%
Interest and other financial income	45	10	335%
Financial reversals, cost transfer	1	4	-77%
Financial costs	269	178	51%
Interest expenses	159	172	-7%
Exchange losses	109	5	2123%
Financial allocations	0	1	-92%
Financial Results	1,616	244	563%

Net financial income for 2023 came to MMAD 1,616 compared with MMAD 244 at the end of 2022. This increase of MAD 1,372 is mainly due to:

- Higher dividends to be distributed by the subsidiary JLEC 5&6 by MMAD 1,442;
- The increase in interest expense of MMAD 34;
- The decrease in foreign exchange gains of MMAD 117, due to changes in the USD/MAD and EUR/MAD exchange rates;
- Lower interest on loans for MMAD 13, mainly due to lower outstanding debt level.

c) Non-current income analysis

The non-current income amounts to MMAD (43) as of December 31, 2023, and mainly includes the Social Solidarity Contribution (CSS).

3.1.2 Balance Sheet:

In MMAD	2023	2022
ASSETS		
Fixed assets	5,687	5,861
Non-valuable assets	49	7
Intangible assets	4,219	4,398
Tangible fixed assets	217	255
Financial assets	1,202	1,201
Current assets	3,947	4,920
Inventory	1,266	1,546
Receivables from current assets	2,672	3,361
Exchange rate differences – Assets	9	14
Cash and cash equivalents – Assets	1,827	1,175
Bank Deposits, Cash and PO	27	768
Short term investments	1,799	407
Total ASSETS	11,461	11,956
LIABILITIES		
Permanent funding	9,567	8,304
Shareholders' equity	6,243	4,723
Financing debts	3,301	3,554
Long-term provisions for risks and liabilities	23	28
Debt from current liabilities	1,875	2,960
Other provisions for risks and liabilities	3	4
Translation differences – Liabilities (current items)	15	58
Cash and cash equivalents – Liabilities	0	630
Total LIABILITIES	11,461	11,956

The total balance shows a decline of 4%, which can be segmented as follows:

- ▶ The MMAD 173 decrease in fixed assets is mainly due to investing expenditures for the year 2023 for MMAD 183 and depreciation charges for the year amounting to MMAD 357;
- ▶ The decrease in current assets of MMAD 974 is mainly due to:
 - Lower trade receivables totaling MMAD 436 due to lower energy costs following the drop in coal prices on the international markets;
 - The decrease in inventory accounts for MMAD 280 (mainly coal inventory for MMAD 291 due to a quantity and pricing factor);
 - MMAD 149 increase in tax receivables to the State;
 - Dividends receivable from the JLEC 5&6 subsidiary decreased by MMAD 426.
- ▶ Increase in net cash of MMAD 1,282 due to an increase in working capital of MMAD 1,436 and an increase in working capital requirements of MMAD 154.

The main changes in the balance sheet liabilities are analyzed below:

- ▶ Increase in equity of MMAD 1,520 resulting from the recognition of net income in 2023 amounting to MMAD 2,346 and dividends distributed in 2023 for MMAD 826;
- ▶ Lower financing liabilities of MAD 252 million due to repayments during the year;
- ▶ Decrease in current liabilities of MMAD 1,085, which can be analyzed as follows:
 - Trade payables increased by MMAD 925 (mainly coal suppliers' accounts);
 - Decrease in payables to the State for MMAD 113 (mainly invoiced VAT accounts);
 - Lower translation liabilities differences – liabilities (current item) for MMAD 42.

3.2 Consolidated accounts

3.2.1 Consolidated income statement

In MMAD	2023	2022	Var. 23/22	Var. 23/22 en %
Capacity charges	4,252	4,305	-54	-1.2%
Energy payments	8,579	8,989	-410	-4.6%
Other revenues	360	309	50	16.3%
Revenues	13,191	13,604	-413	-3.0%
Other operating income	0	3	-3	-95.6%
Operating write-backs & transfer of charges	7	24	-17	-71.9%
Total operating income	13,198	13,631	-433	-3.2%
Purchases and other external expenses	9,312	9,549	-237	-2.5%
Taxes	25	24	0	2.0%
Payroll	295	301	-5	-1.7%
Other operating costs	4	4	0	0.0%
Depreciation and provisions	854	840	14	1.7%
Total operating expenses	10,490	10,718	-228	-2.1%
Operating income	2,708	2,913	-205	-7.0%
Operating margin (Rex/Sales)	20.5%	21.4%		-9 pbs
Financial result	-584	-381	-203	53.2%
Current income	2,124	2,532	-408	-16.1%
Non-current income	-98	-85	-13	15.3%
Income before taxes	2,026	2,447	-421	-17.2%
Pre-tax margin (EBIT/Sales)	15.4%	18.0%		-26 pbs
Income tax	677	770	-93	-12.1%
Consolidated net income	1,349	1,677	-328	-19.5%
Net margin (NI/Sales)	10.2%	12.3%		-21 pbs
of which net income – Group share	1,037	1,303	-265	-20.4%
including minority interests	312	374	-62	-16.7%

Consolidated revenues in 2023 amounted to MMAD 13,191, compared with MMAD 13,604 in 2022. This change reflects mainly the lower energy costs mainly due to coal price increases on the international market.

Consolidated operating income amounted to MMAD 2,708 compared with MMAD 2,913 in 2022. This change is mainly due to the lower average purchase price of coal compared with the APII international reference index.

Net financial income fell by MMAD 203, from MMAD (381) in 2022 to MMAD (584) in 2023, mainly due to an exceptional foreign exchange loss resulting from changes in the USD/MAD exchange rate.

Net income Group share amounted to MMAD 1,037 in 2023, compared with MMAD 1,303 in 2022.

3.2.2 Consolidated balance sheet

In MMAD	2023	2022	Var. 23/22
ASSETS			
Fixed assets	12,728	13,577	-6.3%
Intangible assets	4,597	4,712	-2.4%
Tangible fixed assets	7,887	8,286	-4.8%
Financial assets	1	1	-2.5%
CURRENCY TRANSLATION ADJUSTMENT	243	578	-57.9%
Current assets	5,284	6,558	-19.4%
Inventories and work in progress	2,106	2,606	-19.2%
Operating receivables	2,109	2,884	-26.9%
Other receivables	1,069	1,068	0.1%
Cash & cash equivalents – assets	4,234	2,399	76.5%
of which cash investments	3,365	1,124	199.5%
Total ASSETS	22,247	22,534	-1.3%
LIABILITIES			
Permanent funding	18,173	16,752	8.5%
Consolidated shareholders' equity	7,130	7,553	-5.6%
Capital	2,359	2,359	0.0%
Consolidated reserves	3,041	2,564	18.6%
Net income	1,037	1,303	-20.4%
Group Shareholders' equity	6,438	6,226	3.4%
Group share minority interests	692	1,327	-47.8%
Provisions for risks & charges	23	28	-18.0%
Financing debts	11,021	9,090	21.2%
EXCHANGE DIFFERENCE LIABILITIES	0	81	-100.0%
Current liabilities	4,073	4,907	-17.0%
Operating liabilities	2,328	2,964	-21.5%
Other liabilities	1,745	1,943	-10.2%
Cash liabilities	0	875	-100.0%
Total LIABILITIES	22,247	22,534	-1.3%

The main changes in Consolidated Balance sheets are presented below:

- ▶ Consolidated fixed assets decreased by MMAD 849, mainly due to investments during the year (MAD 328), depreciation charge recorded at December 31, 2023 (MMAD 842), and the impact of the foreign currency translation adjustment (MAD 335);
- ▶ Decrease in current assets of MAD 1,274, mainly attributable to the decline in operating receivables for MMAD 775 and in inventories for MMAD 500;
- ▶ Net cash and cash equivalents increased by MMAD 2,710, due to an increase in consolidated working capital of MMAD 2,270, combined with a reduction in consolidated working capital requirements of MMAD 440;
- ▶ Consolidated shareholders' equity increased by MMAD 212, mainly due to the recognition of net income attributable to the Group for MMAD 1,037 as of December 31, 2023 and the distribution of dividends by the TAQA Morocco Group for MMAD 826;
- ▶ Increase in financing liabilities of MMAD 1,931, essentially due to the refinancing of JLEC 5&6 and to repayments for the year.

4. INVESTMENTS

Consolidated investments for financial year 2023, which amount to MMAD 328, correspond mainly to the cost of minor overhauls of Units 1 and 5, and to other investments relating to plant operation and maintenance.

5. FORESEEABLE DEVELOPMENTS AND FUTURE PROSPECTS

- ▶ Maintain the operational performance of the Jorf Lasfar thermal power plant at a top decile level by reinforcing the preventive maintenance program and cost optimization efforts;
- ▶ Consolidate technical expertise in thermal engineering and develop skills in desalination, renewable energies and low-carbon energies;
- ▶ Continue to implement strategic initiatives to diversify and decarbonize the asset portfolio;
- ▶ Reinforce ESG commitments and sustainable value creation.

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, and 100% of the share capital of TAQA Morocco Green Energy, which produces and markets electricity from renewable sources. Information relating to JLEC 5&6 and TMGE appears in Appendix 2 of this report.

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

TAQA MOROCCO Supervisory Board Members	Other Mandates	
	Jorf Lasfar Energy Company 6&5 SA à Directoire et CS RC Casablanca 267.069	Taqa North Africa SCA – RC El Jadida 2.147
Farid Saleh Farid Mohamed Al Awlaqi (Président du Conseil de Surveillance)	Chairman of the Supervisory Board	Permanent representative of Abu Dhabi National Energy Company PJSC (TAQA), legal entity member of the Supervisory Board
Alastair James Mulligan (Vice-Chairman of the Supervisory Board)		
Mr. Saeed Hamad Obaid Abuqata Aldhaheri (Member of the Supervisory Board)		
H.E. Saqer Salem Mohamed Binham Alameri (Member of the Supervisory Board)		
Abu Dhabi National Energy Company PJSC (TAQA) represented by Mr Andres Calderon Acuna	Andres Calderon Acuna Member of the Supervisory Board	Legal entity member of the Supervisory Board Andres Calderon Acuna Permanent Representative of «TAQA Generation LLC» legal entity member of the Supervisory Board
Shahab Issa Hamad Abushahab Alsuwaidi		
Ahmed Ali Mohamed Ali Alshamsi		
Nabil Abdulqader Hadi Alqubali Almessabi		

8. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

8.1 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 2,345,711,710.79.

8.2 Allocation of annual income

We suggest that the net income on December 31, 2023 be allocated and distributed as follows:

1. Net profit on December 31, 2023	(a) = 2,345,711,710.79 MAD
2. Legal reserve	(b) = 0 MAD
3. New balance	(c) = (a)-(b) = 2,345,711,710.79 MAD
To which is added:	
4. Previous retained earnings	= 0.00 MAD
5. Other reserves (optional reserves)	(d) = 138,013,489.09 MAD
6. Profit available for distribution	e) = (c)+(d) = 2,483,725,199.88 MAD
7. Dividends (f) = 35 MAD X 23,588,542 shares = 825,598,970.00 MAD*	
8. Balance to be allocated as an optional reserve (g) = (e) - (f) = 1,658,126,229.88 MAD	

* Dividends will be paid no later than **September 27, 2024**.

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 used in previous years.

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

In 2023, as part of the refinancing of JLEC 5&6, an amendment to the Shared Facilities Insurance Proceeds Application Protocol («SFIPAP») was signed.

We hereby inform you that the following agreements, concluded during previous years and whose execution continued during the fiscal year ended December 31, 2023 have been brought to the attention of the Statutory Auditors in accordance with the legal provisions in force:

- ▶ Operation and Maintenance Agreement, 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 signed 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.
- ▶ Reimbursement Agreement between the Company and Abu Dhabi National Energy Company PJSC («TAQA») signed in June 2022.

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 financial year 2023 for current operations with Group entities as follows:

- ▶ Re-invoicing, by TAQA Morocco to JLEC 5&6, of water and electricity costs consumed by Units 5 and 6 and borne by TAQA Morocco;
- ▶ Re-invoicing, by TAQA North Africa to TAQA Morocco, of common installations costs and borne by TAQA Morocco;
- ▶ Re-invoicing, by Abu Dhabi National Energy Company PJSC («TAQA») to TAQA Morocco for business travel abroad costs.

9. PROPOSED RESOLUTIONS

The resolutions we submit to you correspond to our proposals.

We hope that they will meet your approval and we ask you to kindly give the Executive Board discharge for its managers 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.

Issued in Casablanca, February 23, 2024

In two (2) original copies

Mr Abdelmajid Iraqui Houssaini
Chairman of the Management Board

APPENDIX 1

Subsidiaries (Ownership of more than half of the capital)	Percentage held (%)
Jorf Lasfar Energy Company 5&6 S.A.	66
TAQA Morocco Green Energy	100

APPENDIX 2: INFORMATION ON THE ACTIVITY AND RESULTS OF JLEC 5&6 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

MANAGEMENT REPORT TO THE ANNUAL GENERAL MEETING ON DECEMBER 29, 2023

Dear Shareholders,

In accordance with the law and the Articles of Association of Jorf Lasfar Energy Company 5&6 («JLEC 5&6» or the «Company»), we have convened this Annual General Meeting to report to you on the Company's activities during the year ended September 30, 2023, on the results of these activities and on our outlook for the future, and to submit for your approval the financial statements for this year and the appropriation of earnings arising from these financial statements.

Mr. Adnane Faouzi, partner of Deloitte Audit, shall also read out his reports.

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

1. COMPANY OPERATING HIGHLIGHTS POSITION DURING THE PAST FINANCIAL YEAR

1.1 Economic conditions:

a) EVOLUTION OF THE USD/MAD RATE

The average USD/MAD exchange rate increased by 5.3%, from 9.76 in 2022 to 10.28 in 2023.

The average EUR/MAD exchange rate has risen by 4.1%, from 10.56 in 2022 to 10.99 in 2023.

b) CHANGES IN COAL PRICES

On average, the purchase price increased in 2023, reaching an average price of 160 USD/MT, compared to an average price of 152 USD/MT in 2022.

c) Coal purchases

In 2023, JLEC 5&6 purchased a total of 1,838,815 tons of coal for the operation of Units 5 and 6, compared to 2,098,988 tons in 2022, taking into account the 24-day minor overhaul of Unit 5 during the year.

1.2 Activity of the Plant

The main facts of the year were as follows:

- ▶ Safety: A good performance in terms of workplace safety, with no Lost Time Accident;
- ▶ A 92.94% level of availability for Units 5 and 6 between October 1, 2022 and September 30, 2023;
- ▶ A minor overhaul of Unit 5 in 24 days, starting April the 29th, 2023.

1.3 Other highlights

MAD 6.6 billion were raised from Moroccan banks via the company JLEC 5&6, with a 19-year maturity date of 2042.

The operation led to early repayment of the outstanding amount of the initial project financing contracted with a consortium of international and Moroccan banks, for a total of MAD 3.3 billion.

This transaction further institutionalizes the financial partners and supports TAQA Morocco's low-carbon strategy.

2. SIGNIFICANT EVENTS OCCURRING SINCE THE END OF THE LAST FISCAL YEAR

No significant event has occurred since the closing date of the 2023 fiscal year.

3. PRESENTATION OF ANNUAL ACCOUNTS

JLEC 5&6 generated a net profit of MAD 847,587,088.22 during the fiscal year ended September 30, 2023, which can be summarized as follows:

▶ Operating profit	1,718,620,544.78 MAD	[a]
▶ Financial income	(300,296,797.25) MAD	[b]
▶ Non-current income	(57,727,290.31) MAD	[c]
▶ Corporate Tax	(513,009,369.00) MAD	
▶ Net income	847,587,088.22 MAD	

[a]: The operating income derives from the operating margin generated by the invoicing of electrical energy for a total amount of MAD 2,143,099,351.57, less depreciation, provisions for the year and expense transfers for a total amount of MAD 424,478,806.79;

[b]: The company's financial income is derived from interest on borrowings, foreign exchange gains and losses on non-coal operating liabilities and income from cash investments. These items are detailed as follows:

▶ Interest expenses	(193,549,627.81) MAD
▶ Net foreign exchange losses	(149,737,709.98) MAD
▶ Income from investments of cash surpluses:	42,990,540.54 MAD

[c]: Non-current income consists primarily of the social solidarity contribution for the year 2022 amounting to MAD 57,418,656.00.

4. INVESTMENTS UNDERTAKEN IN THE PAST FINANCIAL YEAR

In fiscal year 2023, JLEC 5&6 has committed an overall total investment of MMAD 101.5 mainly covering the cost of a minor overhaul of Unit 5, as well as installations and fittings relating to the operating and maintenance of equipment in Units 5 and 6.

5. FINANCIAL STATUS AND FUTURE PROSPECTS

- The company's solid operational and financial performance is underpinned by the expertise of its human capital and its preventive maintenance policy.
- The Company intends to:
 - ▶ Sustain Units 5 and 6 operational performance through attaining forecasted levels of availability in accordance with projections,
 - ▶ Pursue continuous improvement process through:
 - The Health, Safety, Security & Environment policy;
 - Human resources policy;
 - Executing digital roadmap;
 - Maximizing the efficiency of coal consumption;
 - Optimizing maintenance operating costs and expanding supply to Asia;
 - Optimal use of the IT system;
 - Carrying out preventive maintenance projects.

6. 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 Company's SC members in other boards of directors or supervisory boards includes:

Other mandates	Members of the Supervisory Board		
	Mr. Farid Saleh Farid Mohamed Al Alwlaqi	Mr. Saeed Rashed Ali Hamad Alderei	Mr. Andres Calderon Acuna
TAQA Morocco SA Management Board & SB RC El Jadida 2.145	Chairman of the Supervisory Board	None	Permanent representative of legal entity SB member
Taqa North Africa SCA RC El Jadida 2.147	Permanent representative of legal entity SB member	None	Permanent representative of legal entity SB member
TAQA Morocco Wind Corporation SA RC Casablanca 193055	None	None	Board Director

7. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

7.1 (C) 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 847 587 088,22**.

7.2 (D) Allocation of annual income

We suggest that the net income on September 30, 2023 be appropriated and allocated as follows:

9. Net income on September 30, 2023	(a) =	MAD 847,587,088.22
10. Legal reserve	(b) =	00.00 MAD
11. New balance:	c) = (a)-(b) =	847,587,088.22 MAD
To which is added:		
12. Previous retained earnings	=	0.00 MAD
13. Previous optional reserves	(d) =	0.00 MAD
14. Profit available for distribution	(e) = (c)+(d) =	847,587,088.22 MAD
15. Dividends	(f) =	800,000,000.00 MAD
16. Balance to be allocated as an optional reserve	(g) = (e) - (f) =	47,587,088.22 MAD

We kindly request that you approve this allocation.

7.2 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 and Law No. 78-12

In 2023, as part of the refinancing of JLEC 5&6, an amendment to the Shared Facilities Insurance Proceeds Application Protocol («SFIPAP») was signed.

In addition, we hereby inform you that the following agreements, concluded during previous years and whose execution continued during the fiscal year ended September 30, 2023, have been brought to the attention of the Statutory Auditor in accordance with the legal provisions in force:

- ▶ Agreement entitled Inter-Project Funding Providers Agreement («IPFFA») executed as of January 10, 2013 as amended and supplemented on July 16, 2020 between TAQA MOROCCO S.A, JLEC 5&6 and TAQA MOROCCO S.A and JLEC 5&6's loan officers;
- ▶ Subordinated Loan Agreement between the Company and TAQA International BV dated January 22, 2013;
- ▶ Support Services Agreement between the Company and TAQA MOROCCO Inc. dated January 28, 2013;
- ▶ Re-invoicing Agreement for consulting, travel and other expenses incurred by Abu Dhabi National Energy Company PJSC («TAQA») on behalf of the Company;
- ▶ Operation and Maintenance Agreement with TAQA MOROCCO Inc., TNA and ONEE;
- ▶ Agreement entitled Equity Parties Agreement («EPA») between TAQA, TAQA MOROCCO Inc., JLEC 5&6, TAQA Power Ventures BV, TAQA International BV and the credit agent of the backers of JLEC 5&6;
- ▶ Shared Facilities Insurance Proceeds Application Protocol («SFIPAP») between JLEC 5&6 and TAQA MOROCCO Inc. in the presence of TNA;
- ▶ Sublease agreement signed on August 1, 2019 between the Company as lessee and TAQA North Africa, sub-lessee;
- ▶ Lease agreement effective August 1, 2019 between the Company as lessee and TAQA Morocco Wind Corporation as sub-lessee.
- ▶ Contrat de bail conclu le 1er aout 2019 entre la Société en qualité de crédit preneur et la société TAQA Morocco Wind Corporation, sous-locataire.

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 JLEC 5&6 entered into transactions during fiscal year 2023 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 Morocco to JLEC 5&6, of coal consumed by Units 5 and 6 and born by TAQA Morocco;
- ▶ -Re-invoicing, by TAQA Morocco to JLEC 5&6, of license renewal fees born by TAQA Morocco on behalf of JLEC 5&6 S.A.;
- ▶ -Re-invoicing, by TAQA North Africa to JLEC 5&6, of the expenses for common installations born 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 expenses incurred on behalf of JLEC 5&6.

8. PROPOSED RESOLUTIONS

The resolutions we submit to you correspond to our proposals.

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

The Statutory Auditors describe in their general report the performance of their respective duties during the year.

Issued in Casablanca, on December 15, 2023

In two (2) original copies

Mr. Abdelmajid Iraqui Houssaini
Chairman of the Management Board

APPENDIX 2: INFORMATION ON TMGE'S BUSINESS AND RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023

MANAGEMENT REPORT FOR THE YEAR ENDING DECEMBER 31, 2023

Dear Shareholders,

In accordance with the law and the Articles of Association of Jorf Lasfar Energy Company 5&6 («JLEC 5&6» or the «Company»), we have convened this Annual General Meeting to report to you on the Company's activities during the year ended September 30, 2023, on the results of these activities and on our outlook for the future, and to submit for your approval the financial statements for this year and the allocation of earnings arising from these financial statements.

Mr. Adnane Faouzi, partner of Deloitte Audit, shall also read out his reports.

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

1. COMPANY OPERATING HIGHLIGHTS POSITION DURING THE PAST FINANCIAL YEAR

On March 13, 2023, TAQA Morocco Green Energy was incorporated – Trade Register n° 578295, Tax ID n° 53714716 and Professional Tax ID n° 36006467. The Company's object, directly or indirectly, in Morocco and abroad, is the production and marketing of electrical energy from renewable sources, green hydrogen and derivatives, desalinated water, etc., and the development and operation of gas-fired power plants.

2. SIGNIFICANT EVENTS OCCURRING SINCE THE END OF THE LAST FISCAL YEAR

No significant event has occurred since the closing date of the 2023 fiscal year.

3. DECISIONS SUBMITTED TO THE ORDINARY ANNUAL GENERAL MEETING

3.1 Presentation of annual accounts

As a result of the accounts we have presented to you, the Company's loss for the year that amounts to MAD 170,529.60.

3.2 Allocation of annual income

We suggest that the net income on December 31, 2023 be allocated and distributed as follows:

- | | |
|----------------------------------|---------------------------------|
| 1. Net loss on December 31, 2023 | (a) = -182,529.60 MAD |
| 2. Legal reserve | (b) = 0.00 (Zero) MAD |
| 3. New balance: | (c) = (a)-(b) = -182,529.60 MAD |

To which is added:

- | | |
|--|---|
| 4. Previous retained earnings | = 0.00 MAD |
| 5. Net loss on December 31, 2023 (e) = (c)+(d) | = -182,529.60 MAD to be allocated in full to retained earnings. |

We kindly request that you approve this allocation.

The presentation rules and valuation methods used to prepare these documents comply with regulations in force.

3.3 Related-party agreements

None.

4. PROPOSED RESOLUTIONS

The resolutions we submit to you correspond to our proposals.

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

The Statutory Auditors describe in their general report the performance of their respective duties during the year.

Issued in Casablanca, on February 23, 2024

In two (2) original copies

Mr. Abdelmajid Iraqui Houssaini
Chairman of the Management Board

APPENDIX 3: FEES PAID TO AUDITORS

	Deloitte						BENJELLOUN TOUIMI CONSULTING					
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Statutory Audit, certification, examination of statutory and consolidated accounts	1,075,000	1,026,375	977,500	85%	85%	85%	320,000	320,000	250,000	100%	100%	100%
<i>Issuer</i>	610,000	580,125	552,500	48%	48%	48%	320,000	320,000	250,000	100%	100%	100%
<i>Subsidiaries</i>	465,000	446,250	425,000	37%	37%	37%	0	0	0	0%	0%	0%
Other diligence and services directly related to statutory audit	187,000	181,125	172,500	15%	15%	15%	0	0	0	0%	0%	0%
<i>Issuer</i>	100,000	102,375	97,500	8%	8%	8%	0	0	0	0%	0%	0%
<i>Subsidiaries</i>	87,000	78,750	75,000	7%	7%	7%	0	0	0	0%	0%	0%
Sub-total	1,262,000	1,207,500	1,150,000	100%	100%	100%	320,000	320,000	250,000	100%	100%	100%
Other services provided	0	0	0	0%	0%	0%	0	0	0	0%	0%	0%
Others	0	0	0	0%	0%	0%	0	0	0	0%	0%	0%
Sub-total	0	0	0	0%	0%	0%	0	0	0	0%	0%	0%
Total	1,262,000	1,207,500	1,150,000	100%	100%	100%	320,000	320,000	250,000	100%	100%	100%

Consolidated Accounts

Balance Sheet Assets (In thousands of MAD)		
ASSETS	December 31, 2023	December 31, 2022
Intangible Assets	4,597,299	4,712,103
Fixed Assets	7,887,088	8,286,350
Financial Assets	679	697
Long Term Exchange Fluctuations	243,400	578,280
TOTAL LONG TERM ASSETS	12,728,465	13,577,430
Inventory	2,105,797	2,606,143
Trade Receivables	2,109,065	2,884,008
Other Receivables	1,045,422	1,003,537
Short term investments	3,365,092	1,123,552
Other assests	23,671	64,103
Cash	869,066	1,275,692
CURRENT ASSETS	9,518,112	8,957,035
TOTAL ASSETS	22,246,578	22,534,465

Balance Sheet Liabilities (In thousands of MAD)		
EQUITY & LIABILITIES	December 31, 2023	December 31, 2022
Share Capital	2,358,854	2,358,854
Share Premium	1,164,805	1,164,805
Reserves	1,876,612	1,399,515
Net Income - Group Share	1,037,327	1,302,719
Group Equity	6,437,597	6,225,893
Minority Interest	692,299	1,327,324
CONSOLIDATED SHAREHOLDERS' EQUITY	7,129,896	7,553,216
Provisions	22,585	27,539
Borrowings	11,020,843	9,090,168
Long Term Exchange Fluctuations	0	81,160
	11,043,429	9,198,867
Current Payables	2,327,766	2,963,874
Other Payables	1,745,487	1,943,508
CURRENT LIABILITIES	4,073,253	4,907,382
Bank Overdrafts	0	875,000
TOTAL LIABILITIES	15,116,681	14,981,249
TOTAL EQUITY & LIABILITIES	22,246,578	22,534,465

Consolidated Income Statement		
(In thousands of Moroccan dirhams)	December 31, 2023	December 31, 2022
Revenues	13,190,671	13,603,562
Other revenues	132	3,037
Operating expense reversals	6,711	23,903
EXPENSES	13,197,514	13,630,503
Operating expenses	9,315,550	9,552,546
Taxes	24,548	24,061
Labor costs	295,334	300,565
Depreciation	854,496	840,487
OPERATING EXPENSES	10,489,927	10,717,659
Operating income	2,707,587	2,912,844
Financial income	(583,606)	(380,910)
Current income	2,123,981	2,531,934
Non current income	(98,029)	(85,003)
Income before tax	2,025,953	2,446,931
Income tax	676,729	770,293
Consolidated net income	1,349,223	1,676,638
Group net income	1,037,327	1,302,719
Minority interests	311,896	373,919
CONSOLIDATED NET INCOME	1,349,223	1,676,638
EARNING PER SHARE (IN MAD)	43.98	55.23

CONSOLIDATED CASH FLOW STATEMENT

(In thousands of MAD)	December 31, 2023	December 31, 2022
Cash-flow from operations		
Net Income from integrated companies	1,349,223	1,676,638
Elimination of expenses and proceeds having no incidence on the cash or not linked to the business		
- Operating allowances and non-current provisions	837,498	810,602
- Deferred taxes variance	-78,860	132,889
- Capital gains from disposals net of tax	0	0
Net working capital variance	518,545	-358,851
Net cash-flow generated by the activity	2,626,406	2,261,278
Acquisition of intangible and fixed assets	-328,385	-242,134
Disposals of fixed assets net of tax	17	29
Incidence of the perimeter change	0	0
Net cash-flow related to investment operating	-328,367	-242,105
Cash-flow related to financing operations		
Dividends paid (*)	-1,772,520	-1,029,597
Capital increase in cash	0	0
Issuing of loans	6,600,000	0
Repayment of loans	-4,415,605	-1,017,977
Net cash-flow from financing operations	411,875	-2,047,574
Cash variance	2,709,914	-28,401
Opening cash	1,524,244	1,552,645
Closing cash	4,234,158	1,524,244

CONSOLIDATED EXPLANATORY NOTES AS OF DECEMBER 31, 2023 AND 2022

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.

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.

Closing dates

TAQA Morocco and TAQA Morocco Green Energy close their accounts on December 31st.

JLEC 5&6 closes its accounts on September 30th.

1.2 Valuation methods

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).

On January 24th, 2020, TAQA Morocco and ONEE signed 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).

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.

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.

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.

Provisions for risks and charges

As of December 31, 2023, 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.

Tax restatements

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

2. ASSETS

2.1. Net assets

In Thousands of Moroccan dirhams	December 31 st , 2023			December 31 st , 2022		
	Gross	Amorts. Prov.	Net Amount	Gross	Amorts. Prov.	Net Amount
Intangible Assets (*)	14,508,153	9,910,855	4,597,299	14,215,457	9,503,353	4,712,103
Fixed Assets (**)	12,270,504	4,383,416	7,887,088	12,234,816	3,948,466	8,286,350
Total	26,778,657	14,294,271	12,484,386	26,450,273	13,451,819	12,998,453

(*) Intangible assets correspond mainly to the right of possession of TAQA Morocco for a net amount of DH 3,850,701 thousands.

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

2.2. Financial assets

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Loans	230	248
Other financial assets	449	449
Total	679	697

3. INVENTORIES

In Thousands of Moroccan dirhams	December 31 st , 2023			December 31 st , 2022		
	Gross	Amorts. Prov.	Net Amount	Gross	Amorts. Prov.	Net Amount
Spare Parts	1,117,363	38,900	1,078,463	1,089,585	33,567	1,056,018
Coal	907,673	0	907,673	1,392,367	0	1,392,367
Fuel	109,343	0	109,343	146,412	0	146,412
Other inventories	10,319	0	10,319	11,346	0	11,346
Total	2,144,697	38,900	2,105,797	2,639,710	33,567	2,606,143

The inventories consist mainly of coal and spare parts.

4. TRADE RECEIVABLES

In Thousands of Moroccan dirhams	December 31 st , 2023			December 31 st , 2022		
	Gross	Provisions	Net Amount	Gross	Provisions	Net Amount
Trade Receivables	2,109,064	0	2,109,064	2,884,008	0	2,884,008
Total	2,109,064	0	2,109,064	2,884,008	0	2,884,008

Trade Receivables	2,109,064	0	2,109,064	2,884,008	0	2,884,008
Total	2,109,064	0	2,109,064	2,884,008	0	2,884,008

Accounts receivable mainly include the two energy 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 decrease of the coal price in the international market.

5. OTHER RECEIVABLES

In Thousands of Moroccan dirhams	December 31 st , 2023			December 31 st , 2022		
	Gross	Provisions	Net Amount	Gross	Provisions	Net Amount
Suppliers Advances	24,754	0	24,754	9,591	0	9,591
Employee	1,821	0	1,821	2,790	0	2,790
State	1,011,287	0	1,011,287	980,118	0	980,118
Other Receivables	0	0	0	0	0	0
Prepaid	7,560	0	7,560	11,037	0	11,037
Total	1,045,422	0	1,045,422	1,003,537	0	1,003,537

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 Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Cash	869,066	1,275,692
Bank Overdrafts	0	875,000
Net Cash	869,066	400,692

TAQA Morocco's bank accounts denominated in Dirhams, Euros and Dollars and Arab Emirates Dirham are opened with the following banks: Attijariwafa Bank, BCP, Bank of Africa, Société Générale, BMCI, Crédit du Maroc and First Abu Dhabi Bank.

JLEC 5&6 bank accounts denominated in Dirhams, Euros and Dollars are opened with BCP.

TAQA Morocco Green Energy's bank account denominated in Dirhams is opened with BCP.

8. GROUP EQUITY

The change in Group equity is broken down as follows:

In Thousands of Moroccan dirhams	Capital	Shared premium	Consolidated reserves	Net Income of the year	Consolidated Equity
Balance as of December 31st, 2021	2,358,854	1,164,805	1,220,280	1,004,834	5,748,773
Income allocation	0	0	179,235	-1,004,834	-825,599
Net Income as of December 31 st , 2022	0	0	0	1,302,719	1,302,719
Balance as of December 31st, 2022	2,358,854	1,164,805	1,399,515	1,302,719	6,225,893
Income allocation	0	0	477,097	-1,302,719	-825,622
Net Income as of December 31 st , 2023	0	0	0	1,037,327	1,037,327
Balance as of December 31st, 2023	2,358,854	1,164,805	1,876,612	1,037,327	6,437,597

9. PROVISIONS FOR RISKS AND CHARGES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Provisions for risks	-	-
Provisions for charges	22,585	27,539
Total	22,585	27,539

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 Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
TAQA Morocco	3,301,319	3,553,712
JLEC 5&6	7,691,097	5,503,634
Leasing restatements	28,427	32,823
Total	11,020,843	9,090,168

- TAQA Morocco

Nature of Loan	Fixed interest rate	Repayment method	Outstanding Amount (Kdh)	
			2023	2022
Bond (*)	3.75%	Biannual	2,175,000	2,325,000
Bank Loan issued in 2020 (**)	5.62%	Quarterly	1,126,320	1,228,712
Total	-	-	3,301,319	3,553,712

(*) 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.

-JLEC 5 & 6

Facility	Interest rate	Currency	Total amount by facility in original currency	BAM Exchange Rate as of September 30, 2023	Balance as of September 30, 2023 in thousands of dirham	Balance as of September 30, 2022 in thousands of dirham
JBIC Direct Loan	4.23%	USD	0	10.299	0	1,004,692
NEXI Covered Loan	3.92%	EUR	0	10.865	0	522,976
KEXIM Direct Loan	4.27%	EUR	0	10.865	0	708,196
KEXIM Covered Loan	5.16%	EUR	0	10.865	0	472,131
EUR TERM Facility	4.42%	EUR	0	10.865	0	136,192
MAD TERM Facility	4.80%	MAD	0	1.000	0	1,264,992
TAQA International BV	7.00%	USD	122,812	10.299	1,264,781	1,394,455
BCP (***)	4.75%	MAD	6,426,316	1.000	6,426,316	0
Total					7,691,097	5,503,634

(***) As of September 2023, JLEC 5&6 raised a long term debt of DH 6.6 billion from Moroccan banks, with a maturity of 19 years. This operation led to the early repayment of the remaining amount due under the initial project financing.

11. TRADE PAYABLES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Trade Payables	2,327,766	2,963,874
Total	2,327,766	2,963,874

Coal suppliers represent 55% of the trade payables as of December 31, 2023.

12. OTHER PAYABLES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022

	December 31 st , 2023	December 31 st , 2022
Clients advances	19,353	90,477
Employee	59,559	75,104
Social security / pension funds	10,108	10,796
State	533,155	430,039
Deferred tax liabilities	30,354	38,898
Affiliate current accounts (TPV - JLEC 5&6)	263,662	299,432
Other payables	743,287	743,997
Accruals	68,924	200,654
Other provisions for contingencies and losses	17,086	54,111
Total	1,745,487	1,943,508

State debts mainly include 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. REVENUES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Capacity revenues	4,251,741	4,305,345
Energy payments	8,579,307	8,989,049
Other revenues	359,623	309,167
Total	13,190,671	13,603,562

14. PURCHASES AND OTHER EXTERNAL EXPENSES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Coal consumption	8,571,787	8,889,048
Fuel consumption	37,192	26,764
Other consumed purchases	407,695	369,047
Other external expenses	294,875	263,687
Attendance Fees	4,000	4,000
Total	9,315,550	9,552,546

15. STAFF EXPENSES

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Staff expenses	295,334	300,565
Average headcount	441	482
Average Salary	670	624

16. DEPRECIATIONS

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Amortization	842,451	798,027
Provisions	12,045	42,460
Total	854,496	840,487

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

17. FINANCIAL INCOME

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Interests and other financial proceeds	87,662	17,249
Financial reversals and expense transfers	51,824	8,556
Foreign exchange gain & loss	(354,425)	115,511
Interest expenses	(354,219)	(470,402)
Financial provisions	(14,448)	(51,824)
Total	(583,606)	(380,910)

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 Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Other non current revenues	97	25,032
Other non current expenses	(103,079)	(111,764)
Non current depreciation and provision allocations	4,954	1,729
Total	(98,029)	(85,003)

Other non-current expenses include mainly the Social Solidarity Contribution of TAQA Morocco and JLEC 5 & 6.

19. INCOME TAX

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Current tax	755,589	637,404
Deferred tax	(78,860)	132,889
Total	676,729	770,293

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

The tax proof is presented as follows:

Tax proof	2023	2022
Income before tax	2,025,953	2,446,931
Profit before tax from consolidated companies	2,025,953	2,446,931
Income tax rate	32%	31%
Theoretical tax	648,305	758,549
Tax related to re-integrated depreciation allowances	2,977	2,629
Tax related to re-integrated donations and gifts	330	549
Tax related to other permanent difference	0	-5,359
Tax related to other restatements	25,118	13,926
Total tax charge	676,729	770,293

20. OFF-BALANCE SHEET COMMITMENTS

In Thousands of Moroccan dirhams	December 31 st , 2023	December 31 st , 2022
Commitments given (endorsements and sureties)	390	390
Commitments received (endorsements and sureties)	1,041,638	1,062,885

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 2023 are summarized below:

Agreement	Related party	Transaction type	Amount recorded in the 2022 income statement (in thousands of dirhams)
Service agreement (including assistance in finalizing accounting statements, support in reporting obligations, as well as legal aspects).	TNA	Re-invoicing	7,245
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.	JLEC 5&6	Re-invoicing	12,317
O&M agreement between TAQA Morocco, TNA and JLEC 5&6.	JLEC 5&6 and TNA	Re-invoicing + bonus - malus	75,621
"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 TAQA Morocco and TNA.	TNA	Re-invoicing + bonus - malus	75,522
Subordinated loans granted to JLEC 5&6 to finance development and construction costs	TAQA International BV	Interests	91,493
Re-invoicing agreement for consultancy fees, travel expenses, and other costs incurred by Abu Dhabi National Energy Company PJSC "TAQA" on behalf of Jorf Lasfar Energy Company 5&6 SA "JLEC 5&6".	Abu Dhabi National Energy Company PJSC "TAQA"	Re-invoicing	0
Re-invoicing agreement for the rent of premises occupied by TAQA North Africa "TNA".	TNA	Re-invoicing	936
Re-invoicing agreement for the rent of premises occupied by TAQA Morocco Wind Corporation "TMWC".	TMWC	Re-invoicing	26

22. CONTINGENT LIABILITIES

TAQA Morocco's tax declarations from 2021 to 2023 financial years are not yet prescribed, and may be subject to tax audits and potential adjustments.

JLEC 5&6 tax declarations from 2020 to 2023 financial years are not yet prescribed, and may be subject to tax audits and potential 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 2023 year financial closing.

24. CONSOLIDATION PERIMETER

Subsidiaries	DECEMBRE 2023			DECEMBRE 2022		
	% interest	% controle	Method	% interest	% controle	Method
TAQA MOROCCO	100	100	Full consolidation	100	100	Full consolidation
JLEC 5&6	66	66	Full consolidation	66	66	Full consolidation
TAQA MOROCCO GREEN ENERGY	100	100	Full consolidation	-	-	-

Deloitte.

Deloitte Audit
Boulevard Sidi Mohammed Benabdellah
Tour Ivoire III, 3^{ème} étage,
Casablanca Marina
Maroc

BENJELLOUN TOUIMI BT
CONSULTING

Espace Bureaux Clarence
13, Rue Al Kasr
Casablanca

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

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2023

OPINION

We have audited the accompanying consolidated financial statements of TAQA Morocco S.A. and its subsidiary (The Group), which include the consolidated balance sheet as of December 31st, 2023, and the consolidated income statement, the consolidated cash flow statement for the year then ended as well as consolidated additional disclosures. These consolidated financial statements show a consolidated equity of KMAD 7.129.896 including a consolidated net profit of KMAD 1.349.223.

We certify that the consolidated financial statements referred to in the first paragraph above are regular and sincere and give, in all material aspects, a fair view of the financial position and assets of the Group as of December 31st, 2023, as well as of the results of its operations for the year then ended, in accordance with the accounting principles applicable 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 Auditor's Responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with ethics' requirements that are relevant to the audit of the financial statement in Morocco, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

We determined that there was no key audit matter to communicate.

RESPONSIBILITIES OF MANAGEMENT'S AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting principles applicable in Morocco, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to 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 of these consolidated financial statements.

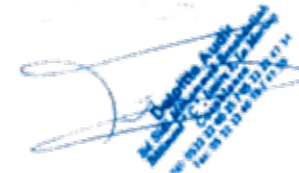
As part of an audit in accordance with professional standards applicable in Morocco, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to frauds or errors, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Casablanca, February 27th, 2024

Deloitte Audit
French original signed by
Adnane FAOUZI
Partner



The Statutory Auditors

French original signed by
BENJELLOUN TOUIMI Consulting
Abdelmajid BENJELLOUN TOUIMI
Partner



STATUTORY ACCOUNTS

BALANCE SHEET ASSETS				
	Dec 31 2023			Dec 31 2022
	GROSS	Dep/Amort. and provisions	Net	Net
CAPITALIZED COST (A)	73,946,766.89	25,132,313.44	48,814,453.45	6,895,306.81
* Pre-Operating Costs				
* Deferred Expenditures	73,946,766.89	25,132,313.44	48,814,453.45	6,895,306.81
* Bond Reimbursement Costs				
INTANGIBLE ASSETS (B)	13,992,207,033.73	9,772,783,380.51	4,219,423,653.22	4,397,995,661.27
* Research and development Costs				
* Licenses, trademarks, rights and similar values	12,673,301,524.62	8,793,201,671.07	3,880,099,853.55	4,057,410,406.39
* Goodwill				
* Other intangible assets	1,318,905,509.11	979,581,709.44	339,323,799.67	340,585,254.88
FIXED ASSETS (C)	1,074,694,266.78	857,280,428.63	217,413,838.15	255,118,654.44
* Land				
* Constructions	15,893,130.13	4,226,037.03	11,667,093.10	6,213,729.35
* Technical installations, tools and equipment	689,747,069.03	582,320,237.68	107,426,831.35	121,847,429.70
* Vehicles	1,963,390.53	1,808,548.33	154,842.20	205,667.20
* Office furniture and equipment and furnishing	291,966,438.12	268,611,635.09	23,354,803.03	36,477,482.44
* Other fixed assets	313,970.50	313,970.50		
* Fixed assets in progress	74,810,268.47		74,810,268.47	90,374,345.75
LONG TERM FINANCIAL ASSETS (D)	1,201,503,891.45		1,201,503,891.45	1,200,521,285.76
* Loans	54,828.59		54,828.59	72,222.90
* Other long term financial assets	449,462.86		449,462.86	449,462.86
* Shares, Interests	1,200,999,600.00		1,200,999,600.00	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)	16,342,351,958.85	10,655,196,122.58	5,687,155,836.27	5,860,530,908.28
INVENTORIES (F)	1,300,529,302.75	34,743,410.52	1,265,785,892.23	1,545,605,367.06
* Merchandises				
* Consumables	1,300,529,302.75	34,743,410.52	1,265,785,892.23	1,545,605,367.06
* Work in progress				
* Intermediary inventories				
* Finished goods				
CURRENT ASSETS (G)	2,671,685,508.63	0.00	2,671,685,508.63	3,361,057,078.31
* Suppliers advances	23,468,865.23		23,468,865.23	7,301,776.20
* Trade receivables	1,117,610,696.59		1,117,610,696.59	1,553,554,345.14
* Employee	934,109.11		934,109.11	2,209,057.11
* Recoverable VAT	993,521,928.87		993,521,928.87	844,223,037.17
* Affiliates current accounts				
* Other debtors	527,994,511.05		527,994,511.05	953,690,191.67
* Prepaid	8,155,397.78		8,155,397.78	78,671.02
SHORT TERM INVESTMENTS (H)	1,799,382,806.78		1,799,382,806.78	407,235,261.65
SHORT TERM EXCHANGE FLUCTUATION (I) (Current assets and liabilities)	9,133,755.29		9,133,755.29	13,673,299.07
TOTAL II (F+G+H+I)	5,780,731,373.45	34,743,410.52	5,745,987,962.93	5,327,571,006.09
Cash and Banks	27,398,940.62		27,398,940.62	767,892,757.55
* Checks & cash in transit				
* Banks	27,382,668.82		27,382,668.82	767,882,064.50
* Petty cash	16,271.80		16,271.80	10,693.05
TOTAL III	27,398,940.62		27,398,940.62	767,892,757.55
TOTAL GÉNÉRAL I + II + III	22,150,482,272.92	10,689,939,533.10	11,460,542,739.82	11,955,994,671.92

BALANCE SHEET LIABILITIES		
	Dec 31 2023	Dec 31 2022
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		
* Write up variances		
* Legal reserve	1,164,804,710.00	1,164,804,710.00
* Investment reserve		
* Other reserves	235,885,420.00	235,885,420.00
* Retained earnings (2)	138,013,489.09	23,786,468.91
* Earnings to be allocated (2)		
* Net earnings (2)		
Résultat net de l'exercice (2)	2,345,711,710.79	939,825,990.18
Total shareholders equity (A)	6,243,269,529.88	4,723,156,789.09
ASSIMILATED EQUITY (B)	0.00	0.00
* Investment Subsidy		
* Regulated reserves		
LONG TERM FINANCIAL DEBTS (C)	3,301,319,214.02	3,553,711,962.58
* Bonds issued	2,174,999,640.00	2,324,999,700.00
* Other long term financial debts	1,126,319,574.02	1,228,712,262.58
LONG TERM PROVISIONS (D)	22,585,144.00	27,538,690.00
* Risk provisions		
* Provisions for costs	22,585,144.00	27,538,690.00
LONG TERM EXCHANGE FLUCTUATION (E)	0.00	0.00
* Increase in receivables		
* Reduction in financial debt		
TOTAL I (A + B + C + D + E)	9,567,173,887.90	8,304,407,441.67
CURRENT LIABILITIES (F)	1,875,204,745.27	2,960,237,100.90
* Trade payables	913,583,182.11	1,838,530,631.32
* Client advances	0.00	23,909,982.09
* Employee	45,477,537.65	61,858,860.08
* Social security / Pension funds	7,178,801.86	7,952,958.44
* STATE	145,347,816.12	258,207,034.09
* Affiliates current accounts	0.29	3,401,697.19
* Other creditors	743,115,361.45	743,115,746.45
* Accruals	20,502,045.79	23,260,191.24
OTHER PROVISIONS (G)	2,725,715.34	3,652,821.69
SHORT TERM EXCHANGE FLUCTUATION (H)	15,438,391.31	57,697,307.66
TOTAL II (F + G + H)	1,893,368,851.92	3,021,587,230.25
BANK-OVERDRAFTS		
* Discounted bills		
* Overdrafts		630,000,000.00
* Banks (Credit balance)		
TOTAL III	0.00	630,000,000.00
TOTAL GENERAL I+II+III	11 460 542 739.82	11 955 994 671.92

INCOME STATEMENT					
From January 2023 to December 2023					
NATURE	OPERATIONS		CURRENT YEAR	PREVIOUS YEAR	
	Related to this year	Related to Previous year			
	1	2	3= 1 + 2	4	
EXPLOITATION	I OPERATING REVENUES				
	* Sales of goods				
	* Sales of services and produced goods				
	* Turnover	7,245,885,200.12		7,245,885,200.12	7,998,811,511.77
	* Inventory variation (+/-) (1)				
	* Self-constructed fixed asset				
	* Operating subsidy				
	* Other revenues	132,413.94		132,413.94	3,037,326.54
	* Operating expense adjustments; operating expense transfers	38,200,648.35		38,200,648.35	98,543,238.50
	TOTAL I	7,284,218,262.41		7,284,218,262.41	8,100,392,076.81
	II OPERATING EXPENSES				
	* Sales purchase value (2)				
	* Raw materials and consumables consumptions (2)	5,446,030,408.76		5,446,030,408.76	6,263,695,683.58
	* Other external expenses	212,548,007.32		212,548,007.32	183,101,903.27
	* Taxes	23,893,260.09		23,893,260.09	23,393,980.77
	* Labor costs	217,144,970.77		217,144,970.77	224,929,885.94
* Other operating expenses	4,000,000.00		4,000,000.00	4,000,000.00	
* Current year operating depreciations and provisions	365,700,327.67		365,700,327.67	384,671,706.34	
TOTAL II	6,269,316,974.61		6,269,316,974.61	7,083,793,159.90	
III OPERATING RESULT (I - II)			1,014,901,287.80	1,016,598,916.91	
FINANCIER	IV FINANCIAL REVENUES				
	* Revenues from investments	1,838,117,912.59		1,838,117,912.59	395,995,908.04
	* Exchange gains	1,076,905.15		1,076,905.15	10,788,130.06
	* Interest income	44,671,495.01		44,671,495.01	10,270,268.19
	* Financial expense adjustments ; Financial expense transfers	1,042,172.48		1,042,172.48	4,475,640.01
	TOTAL IV	1,884,908,485.23		1,884,908,485.23	421,529,946.30
	V FINANCIAL EXPENSES				
	* Interest costs	159,061,325.28		159,061,325.28	171,677,398.12
	* Exchange losses	109,396,259.97		109,396,259.97	4,920,728.68
	* Other financial costs				
* Current year financial depreciations and provisions	87,532.90		87,532.90	1,042,048.48	
TOTAL V	268,545,118.15		268,545,118.15	177,640,175.28	
VI FINANCIAL INCOME (IV - V)			1,616,363,367.08	243,889,771.02	
VII CURRENT INCOME (III + VI)			2,631,264,654.88	1,260,488,687.93	
NON COURANT	VIII UNUSUAL REVENUES				
	* Proceeds from fixed assets disposals				
	* Balance subsidy				
	* Investment subsidy / Current year				
	* Other unusual revenues	85,464.00		85,464.00	24,930,328.17
	* Unusual expenses reductions ; Unusual expenses transfer	27,538,690.00		27,538,690.00	29,267,253.00
	TOTAL VIII	27,624,154.00		27,624,154.00	54,197,581.17
	IX Unusual expenses				
	* Sold fixed assets net book value				
	* Subsidies awarded				
* Other unusual expenses	48,012,018.09		48,012,018.09	65,773,244.92	
* Non current depreciation and provision	22,585,144.00		22,585,144.00	27,538,690.00	
TOTAL IX	70,597,162.09		70,597,162.09	93,311,934.92	
X UNUSUAL INCOME (VIII - IX)			-42,973,008.09	-39,114,353.75	
XI PRETAX INCOME (VII + X)			2,588,291,646.79	1,221,374,334.18	
XII INCOME TAX			242,579,936.00	281,548,344.00	
XIII NET EARNINGS (XI - XII)			2,345,711,710.79	939,825,990.18	
XIV TOTAL REVENUES (I + IV + VIII)			9,196,750,901.64	8,576,119,604.28	
XV TOTAL EXPENSES (II + V + IX + XII)			6,851,039,190.85	7,636,293,614.10	
XVI NET PROFIT (Total revenues - total expenses)			2,345,711,710.79	939,825,990.18	

STATEMENT OF MANAGEMENT'S BALANCES					
I. SUMMARY OF RESULTS CALCULATION					
In MAD				CURRENT YEAR	PREVIOUS YEAR
1	Sales				
2	- Sales purchase value				
I	= GROSS MARGIN ON COMMERCIAL ACTIVITIES			0.00	0.00
	+ PRODUCTION (3+4+5)			7,245,885,200.12	7,998,811,511.77
3	* sales of goods and produced services			7,245,885,200.12	7,998,811,511.77
4	* Inventory variation				
5	* Self-constructed fixed asset				
	- CONSUMPTION (6+7)			5,658,578,416.08	6,446,797,586.85
6	* Cost of goods sold			5,446,030,408.76	6,263,695,683.58
7	* Other external expenses			212,548,007.32	183,101,903.27
IV	= ADDED VALEUR (I+II-III)			1,587,306,784.04	1,552,013,924.92
8	+ Operating subsidy			0.00	0.00
9	- Taxes			23,893,260.09	23,393,980.77
10	- Payroll and Salaries			217,144,970.77	224,929,885.94
	= OPERATING SURPLUS			1,346,268,553.18	1,303,690,058.21
	= OR OPERATING DEFICIT				
11	+ Other operation revenues			132,413.94	3,037,326.54
12	- Other operation expenses			4,000,000.00	4,000,000.00
13	+ Operating costs reductions; operating expens transfer			38,200,648.35	98,543,238.50
14	- Operating depreciations			365,700,327.67	384,671,706.34
VI	= OPERATING INCOME (+ ou -)			1,014,901,287.80	1,016,598,916.91
VII	+ou- FINANCIAL INCOME (LOSS)			1,616,363,367.08	243,889,771.02
VIII	= USUAL INCOME (+ or -)			2,631,264,654.88	1,260,488,687.93
IX	+ou- UNUSUAL INCOME (LOSS)			-42,973,008.09	-39,114,353.75
15	- INCOME TAX			242,579,936.00	281,548,344.00
X	= Net earnings (LOSS) (+ or -)			2,345,711,710.79	939,825,990.18
II. SELF-FINANCING CAPACITY (SFC) -- SELF-FINANCING					
	Net result of current year				
1	* profit +			2,345,711,710.79	939,825,990.18
	* Loss -			0.00	0.00
2	+ Operating depreciation			357,813,044.18	357,815,579.31
3	+ Financial depreciation			0.00	0.00
4	+ Unusual depreciation			22,585,144.00	27,538,690.00
5	- Operating costs reductions			0.00	0.00
6	- Financial costs reductions			0.00	0.00
7	- Unusual costs reductions			27,538,690.00	29,267,253.00
8	- Revenues from fixed assets sales			0.00	0.00
9	+ Net book values of sold fixed assets			0.00	0.00
I	SELF-FINANCING CAPACITY (SFC)			2,698,571,208.97	1,295,913,006.49
10	- Distribution of dividends			825,598,970.00	825,598,970.00
II	SELF-FINANCING			1,872,972,238.97	470,314,036.49

STATEMENT OF CASH FLOW					
I. SUMMARY OF BALANCE SHEET TOTALS					
In MAD			From January 2023 to December 2023		
AGGREGATES	YEAR N	YEAR N-1	Variation (a-b)		
			USES C	SOURCES D	
1 Long Term Liabilities	9,567,173,887.90	8,304,407,441.67	-	1,262,766,446.23	
2 Long Term Assets	5,687,155,836.27	5,860,530,908.28	-	173,375,072.01	
3 Working capital (1-2)	(A) 3,880,018,051.63	2,443,876,533.39	-	1,436,141,518.24	
4 Current Assets	5,745,987,962.93	5,327,571,006.09	418,416,956.84	-	
5 Current Liabilities	1,893,368,851.92	3,021,587,230.25	1,128,218,378.33	-	
6 Net Current Assets (4-5)	(B) 3,852,619,111.01	2,305,983,775.84	1,546,635,335.17	-	
7 Net Cash (3-6) A - B	27,398,940.62	137,892,757.55	-	110,493,816.93	
II. USES AND SOURCES OF FUNDS					
	EXERCICE N		EXERCICE N-1		
	EMPLOIS	RESSOURCES	EMPLOIS	RESSOURCES	
I. LONG TERM SOURCES OF FUNDS FOR					
* SELF FINANCING (A)		1,872,972,238.97		470,314,036.49	
* Self Financing Capacity		2,698,571,208.97		1,295,913,006.49	
- Dividends distribution		(825,598,970.00)		(825,598,970.00)	
* Transfer and reductions of long term asset (B)		17,394.32		28,551.77	
* Intangible assets transfer		-		-	
* Fixed assets disposal		-		-	
* Financial assets transfer		-		-	
* Long term assets recovery		17,394.32		28,551.77	
* INCREASE IN EQUITY (C)					
* INCREASE IN SHARE EQUITY					
* Investment subsidy					
* INCREASE IN FINANCIAL DEBTS (D)					
TOTAL I. RESSOURCES STABLES (A+B+C+D)		1,872,989,633.29		470,342,588.26	
II. LONG TERM USES OF FUNDS					
ACQUISITIONS AND ADDITIONS IN LONG TERM ASSETS (E)	128,455,366.48		222,474,513.00		
* Intangible asset additions	94,491,894.62		154,680,534.10		
* Fixed asset acquisitions	32,963,471.86		67,793,978.90		
* Financial and other assets acquisitions	1,000,000.00		-		
* Increase in other long term assets					
* REIMBURSEMENT OF SHARE EQUITY (F)					
* LOAN REPAYMENTS (G)	252,392,748.56		252,392,808.56		
* INCREASE IN CAPITALIZED COSTS (H)	56,000,000.00		-		
TOTAL II. EMPLOIS STABLES (E+F+G+H)	436,848,115.04		474,867,321.56		
III. NET CURRENT ASSETS VARIATION	1,546,635,335.17		3,698,720.46		
IV. NET CASH VARIATION	-	110,493,816.93	-	8,223,453.76	
TOTAL	1,983,483,450.21	1,983,483,450.21	478,566,042.02	478,566,042.02	

NOTES TO MOROCCAN GAAP FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

ACCOUNTING PRINCIPLES AND METHODS

General information on the activity

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 Alstom 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 initialed the necessary Project Agreements.

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.

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.

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).

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 (i) Jorf Lasfar Energiaktiebolag, (ii) 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.

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.

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, 2023, 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.

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 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.

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.

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.

Bond by private placement issued

TAQA Morocco has issued on September 7, 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 2019 was subject to early repayment for DH 2.7 billion on September 22, 2020.

Establishment of the subsidiary TAQA Morocco Green Energy (T.M.G.E)

On March 13, 2023, TAQA Morocco Green Energy (T.M.G.E) has been created for the purpose of developing projects in renewable energies.

As of December 31, 2023, TAQA Morocco holds 100% of T.M.G.E's shares

Summary of Significant Accounting Principles

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.

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

Deferred expenditures related to some specific projects are amortized over 5 years.

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

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).

-Other intangible assets

Other intangible assets include minor and major revisions realized according to the pre-established maintenance plan, which are amortized over 5 years.

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.

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.

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.

Exceptional Statement

Exceptions to the fundamental accounting principles

Nothing

Exceptions to the evaluation methods

Nothing

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.

Changes in Method Statement

Changes affecting the evaluation methods

Nothing

Changes affecting the presentation rules

Nothing

PRE OPENING COSTS STATEMENT		
From January 2023 to December 2023		
PRINCIPAL ACCOUNT	DESCRIPTION	AMOUNT AS OF DECEMBER 31, 2022
212820000	Deferred expenses	73,946,766.89
		73,946,766.89
281282000	Amortization of deferred expenses	25,132,313.44
		25,132,313.44
	TOTAL	48,814,453.45

SUMMARY OF FIXED ASSETS (GROSS)								
Description	In MAD		From January 2023 to December 2023					
	Gross value Beginning balance	INCREASES			DECREASES			Gross value endings balance
		Acquisition	Self Production	Transfer	Disposals	Reduction	Transfer	
CAPITALIZED COSTS	17,238,266.89	56,000,000.00	-	708,500.00	-	-	-	73,946,766.89
* Pre - Opening	-	-	-	-	-	-	-	-
* Deferred Expenses	17,238,266.89	56,000,000.00	-	708,500.00	-	-	-	73,946,766.89
* Bonds premiums	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS	13,880,662,067.15	94,491,894.62	-	17,053,071.96	-	-	-	13,992,207,033.73
* Research and development	-	-	-	-	-	-	-	-
* Right, License, similar values	12,645,970,070.83	10,278,381.83	-	17,053,071.96	-	-	-	12,673,301,524.62
* Goodwill	-	-	-	-	-	-	-	-
* Other intangible assets	1,234,691,996.32	84,213,512.79	-	-	-	-	-	1,318,905,509.11
	-	-	-	-	-	-	-	-
FIXED ASSET	1,059,492,366.88	32,963,471.86	-	9,433,886.85	-	-	27,195,458.81	1,074,694,266.78
* Land	-	-	-	-	-	-	-	-
* Constructions	9,389,548.11	2,472,730.93	-	4,030,851.09	-	-	-	15,893,130.13
* Technical installation, equipment	666,170,384.82	18,173,648.45	-	5,403,035.76	-	-	-	689,747,069.03
* Vehicles	1,963,390.53	-	-	-	-	-	-	1,963,390.53
* Office furniture	291,280,727.17	685,710.95	-	-	-	-	-	291,966,438.12
* Other fixed assets	313,970.50	-	-	-	-	-	-	313,970.50
* Fixed assets in progress	90,374,345.75	11,631,381.53	-	-	-	-	27,195,458.81	74,810,268.47

SUMMARY OF DEPRECIATIONS					
DESCRIPTION	CUMULATED BEGINNING BALANCE 1	Current year Depreciation 2	From January 2023 to December 2023		
			Current Adjustments 3	Current Reclassification 4	CUMULATED DEPRECIATION ENDING BALANCE 5=1+2-3-4
CAPITALIZED COSTS	10,342,960.08	14,789,353.36	-	-	25,132,313.44
* Pre - Opening	-	-	-	-	-
* Deferred Expenses	10,342,960.08	14,789,353.36	-	-	25,132,313.44
* Bonds premiums	-	-	-	-	-
INTANGIBLE ASSETS	9,482,666,405.88	290,116,974.63	-	-	9,772,783,380.51
* Research asset and development	-	-	-	-	-
* Right, License, similar values	8,588,559,664.44	204,642,006.63	-	-	8,793,201,671.07
* Goodwill	-	-	-	-	-
* Other intangible assets	894,106,741.44	85,474,968.00	-	-	979,581,709.44
FIXED ASSET	804,373,712.44	52,906,716.19	-	-	857,280,428.63
* Land	-	-	-	-	-
* Constructions	3,175,818.76	1,050,218.27	-	-	4,226,037.03
* Technical installation, equipment	544,322,955.12	37,997,282.56	-	-	582,320,237.68
* Vehicles	1,757,723.33	50,825.00	-	-	1,808,548.33
* Office furniture	254,803,244.73	13,808,390.36	-	-	268,611,635.09
* Other fixed assets	313,970.50	-	-	-	313,970.50

SUMMARY OF ASSET DISPOSAL							
Date of disposal or retirement	Principal Account	Gross Amount	Cumulated Depreciations	NET BOOK VALUE	From January 2023 to December 2023		
					Sale Value	Capital gains	Capital losses
N I L							

APPENDIX B-4 SUMMARY OF INVESTMENTS									
In MAD									
From January 2023 to December 2023									
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
						Date de clôture 6	Situation nette 7	Résultat net 8	
JORF LASFAR ENERGY COMPANY 5&6	ELECTRIC ENERGIES	1,818,200,000.00	65.999%	1,199,999,600.00	1,199,999,600.00	30/09/2023	2,812,080,021.21	847,587,088.22	1,838,117,912.59
TAQA MOROCCO GRREN ENERGY	RENEWABLE ENERGIES	1,000,000.00	100.000%	1,000,000.00	1,000,000.00	31/12/2023	829,470.40	(170,529.60)	0.00
TOTAL				1,200,999,600.00	1,200,999,600.00		2,812,080,021.21	847,587,088.22	1,838,117,912.59

SUMMARY OF PROVISIONS AND RESERVES									
In MAD									
Year ended Dec 31 2023									
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	27,538,690.00							27,538,690.00	22,585,144.00
SUB-TOTAL (A)	27,538,690.00							27,538,690.00	22,585,144.00
4. Current assets provisions	26,883,660.26	7,887,283.49				27,533.23			34,743,410.52
5. Other risk provisions	3,652,821.69		87,532.90			1,014,639.25			2,725,715.34
6. Financial provisions									
SUB-TOTAL (B)	30,536,481.95	7,887,283.49	87,532.90			1,042,172.48			37,469,125.86
TOTAL (A+B)	58,075,171.95	7,887,283.49	87,532.90			1,042,172.48		27,538,690.00	60,054,269.86

SUMMARY OF RECEIVABLES AND DEBTORS									
In MAD									
Year ended Dec 31 2023									
RECEIVABLES	TOTAL AS OF 31.12.2023	RECEIVABLES			Other				
		>a year	> 1 year	< 1 year	unrecovered	foreigncurrency balance	State receivables	Affiliated corporate receivables	
LONG TERM RECEIVABLES	504,291.45	504,291.45							
- Loans	54,828.59	54,828.59							
- Other financial assets	449,462.86	449,462.86							
CURRENT ASSETS	2,671,685,508.63	924,272,474.61	1,747,413,034.02		2,357,143.13	2,080,595,892.70		529,681,702.46	
- Advances to suppliers	23,468,865.23		23,468,865.23		2,357,143.13	5,685,579.48		-	
- Trade receivables	1,117,610,696.59	266,784.12	1,117,343,912.47		-	1,081,388,384.35		1,687,191.41	
- Employee	934,109.11		934,109.11						
- State	993,521,928.87	924,005,690.49	69,516,238.38			993,521,928.87			
- Partners current accounts			-						
- Other debtors	527,994,511.05		527,994,511.05					527,994,511.05	
- Accruals accounts - Assets	8,155,397.78		8,155,397.78						

SUMMARY OF LIABILITIES								
In MAD								
Year ended Dec 31 2023								
DETTES	TOTAL au 31/12/2023	ANALYSE PAR ÉCHÉANCE			AUTRES ANALYSES			
		Plus d'un an	Moins d'un an	Échues et non payées	Montants en devises	Montants vis-à-vis de l'État et organismes publics	Montants vis-à-vis des entreprises liées	Montants représentés par des effets
DE FINANCEMENT	3 301 319 214.02	3,048,926,405.47	252,392,808.55		-	-	-	
* Emprunts obligataires	2 174 999 640.00	2,024,999,520.00	150,000,120.00					
* Autres dettes de financement	1 126 319 574.02	1,023,926,885.47	102,392,688.55		-	-	-	
DU PASSIF CIRCULANT	1 875 204 745.27	750,229,167.27	1,124,975,578.00		741,917,910.68	895,641,979.43	47,075,191.39	
* Fournisseurs et comptes rattachés	913,583,182.11	7,113,805.82	906,469,376.29		741,917,910.68		47,075,191.39	
* Clients créditeurs, avances et acomptes	-		-					
* Personnel	45,477,537.65		45,477,537.65					
* Organismes sociaux	7,178,801.86		7,178,801.86			7,178,801.86		
* État	145,347,816.12		145,347,816.12			145,347,816.12		
* Comptes d'associés	0.29		0.29					
* Autres créanciers	743,115,361.45	743,115,361.45				743,115,361.45		
* Comptes de régularisation Passif	20,502,045.79		20,502,045.79					

SUMMARY OF "ESTATE GUARANTEES" GIVEN OR RECEIVED					
From January 2023 to December 2023					
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, 2022
- Given guarantees			N I L		
- Given guarantees	54,828.59	Mortgage		Employee Mortgage Loan	

(1) Gage : 1- Hypothèque : 2- Nantissement : 3- Warrant : 4- Autres : 5- (à préciser)
(2) préciser si la sûreté est donnée au profit d'entreprises ou de personnes tierces (sûretés données) (entreprises liées, associés, membres du personnel)
(3) préciser si la sûreté reçue par l'entreprise provient de personnes tierces autres que le débiteur (sûretés reçues)

FINANCIAL COMMITMENTS OTHER THAN LEASING OPERATINGS		
In MAD		
	Current year	Previous year
GIVEN COMMITMENTS		
Importation Temporaire		
ALSTOM France		
CENTRACOM		
LAMBLIN Voies Ferrées		
- Short Term Imports		
- Short Term Exports		
FERBECK & FURMITHERM	208,712.00	208,712.00
ABB SECHERON SA	4,752.00	4,752.00
Paul boman	663.00	663.00
TOTAL	214,127.00	214,127.00
RECEIVED COMMITMENTS		
- Endorsement and Guarantee		
A) G.A		
Convention de sequestre ONEE (Credit Letter)	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
B) O&M		
STOKVIS NORD-AFRIQUE	-	-
SMAC STE	134,068.00	134,068.00
SOMARAIL (Credit du Nord)	216,352.86	216,352.86
SCHNEIDER ELECTRIC MAROC	321,600.00	321,600.00
CBI	254,887.08	254,887.08
TECHNI DISPO	50,850.60	50,850.60
SULZE MAROC	-	-
SCHNEIDER ELECTRIC MAROC	-	-
GROUPE PRORISK	91,594.09	91,594.09
MASTER GRID (EUR 53.904,00)	-	601,525.52
Hitachi Energy Switzerland AG (ex. ABB Power Grids Sécheron SA) (CHF 15 600,00)	177,262.80	-
APPLICATIONS ELECTRONIQUES & TECHNIQUES (EUR 3 600,00)	39,450.96	-
Hitachi Energy Switzerland AG (CHF 98 862,00)	1,123,368.91	-
Hitachi Energy Switzerland AG (CHF 28 911,11)	328,516.94	-
- Other commitments received		
TOTAL	428,637,585.05	427,570,510.95

SUMMARY OF LEASING CONTRACTS										
From January 2023 to December 2023										
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 ans	12,513,278.18	3,001,633.90	3,001,633.90	10,505,628.66	2,420,833.35	

INCOME STATEMENT DETAILS		Current Year	Previous Year
611	OPERATING EXPENSES		
	Cost of sales (commercial)		
	- purchases		
	- Inventory variation (+/-)		
	Total	-	-
612	Cost of sales (production)		
	- Raw material purchases	4,859,316,796.42	6,141,299,252.48
	- Raw material inventory variation	290,895,694.64	(182,895,119.75)
	- Consumables	120,632,399.73	214,532,560.60
	- Consumables inventory variation (+/-)	(18,963,503.30)	(72,639,623.72)
	- Non stored purchased raw and equipments	46,401,089.32	47,503,111.42
	- Services and surveys	147,747,931.95	115,895,502.55
	Total	5,446,030,408.76	6,263,695,683.58
613/614	Other external expenses		
	- Rentals	6,419,258.71	6,061,247.39
	- Repairs and maintenance	42,483,279.29	35,909,018.11
	- Insurance	45,658,586.43	41,598,593.79
	- Remuneration of external labor to the company	24,348,822.35	22,841,476.46
	- Fees and commissions	55,037,545.49	41,148,256.21
	- Royalties, rights,...	-	-
	- Research and documentation	629,749.06	1,801,247.53
	- Transportation	6,567,040.16	5,763,178.56
	- Travel, assignments and reception	5,090,217.42	3,243,783.11
	- Other external expenses	26,313,508.41	24,735,102.11
	Total	212,548,007.32	183,101,903.27
616	Taxes	23,893,260.09	23,393,980.77
617	Payroll expenses		
	- Remunerations	184,888,864.25	190,466,943.49
	- Social Charges	32,256,106.52	34,462,942.45
	Total	217,144,970.77	224,929,885.94
618	Other operating expenses		
	- Attendance fees	4,000,000.00	4,000,000.00
	- Losses in unrecoverable assets	-	-
	- Other	-	-
	Total	4,000,000.00	4,000,000.00
638	FINANCIAL EXPENSES		
	Other financial expenses		
	- Net investment sales costs	-	-
	- Other	-	-
	Total	-	-
658	UNUSUAL EXPENSES		
	Other unusual expenses		
	- Penalties on contracts	-	-
	- Taxes adjustments	-	-
	- Tax penalties	-	-
	- Unrecoverable assets	-	-
	- Other	48,012,018.09	65,773,244.92
	Total	48,012,018.09	65,773,244.92
711	OPERATING REVENUES		
	SALES OF MARCHANDISES		
	- Domestic	-	-
	- Export	-	-
	- Other	-	-
	Total	-	-
712	Sales of produced goods and services		
	- Sales of produced goods Export	7,245,885,200.12	7,998,811,511.77
	- Sales of produced goods Domestic	-	-
	- Sales of services Export	-	-
	- Sales of services Domestic	-	-
	- Royalties, Rights,	-	-
	- Other	-	-
	Total	7,245,885,200.12	7,998,811,511.77
713	INVENTORIES VARIATIONS		
	- Inventories variations production (+/-)	-	-
	- Inventories variations services (+/-)	-	-
	- Inventories variations production in progress (+/-)	-	-
	Total	-	-
718	Other operating revenues		
	- Attendance fees received	132,413.94	3,037,326.54
	- Other	-	-
	Total	132,413.94	3,037,326.54
719	Costs transfers, Provisions reductions		
	- Reversal	-	21,301,725.66
	- Costs transfers	38,200,648.35	77,241,512.84
	Total	38,200,648.35	98,543,238.50
738	FINANCIAL REVENUES		
	Interestes and other financial revenues		
	- Interestes and proceeds	21,299,511.09	3,484,710.12
	- Revenues from affiliated companies	-	-
	- Net proceeds from fixed assets disposal	23,371,983.92	6,785,558.07
	- Others	-	-
	Total	44,671,495.01	10,270,268.19

TAXABLE INCOME CALCULATION		AMOUNT T1	AMOUNT T2
I.	NET RESULT (Accounting)		
	Net profit	2,345,711,710.79	
	Net Loss		-
II.	TAX ADDITIONS	335,704,496.57	
	1. Current	17,839,890.28	
	- Unrealized gain	15,438,391.31	
	- Non deductible depreciation	1,369,998.97	
	- Donations	1,031,500.00	
	2. Non current	317,864,606.29	
	- Social Solidarity Contribution (CSS)	45,411,024.00	
	- Post employment provision as of December 31, 2023	22,585,144.00	
	- Non deductible amortization	7,288,502.29	
	- Current income taxes	242,579,936.00	
III.	FISCAL DEDUCTIONS		1,923,353,910.25
	1. Current		
	- Unrealized gain as of December 31, 2022		57,697,307.66
	2. Non current		
	- Reversal of the Post employment provision as of December 31, 2022		27,538,690.00
	- Dividends		1,838,117,912.59
	- Other non current revenues		-
	Total	2,681,416,207.36	1,923,353,910.25
IV.	GROSS FISCAL RESULT		
	Gross profit if T1 > T2 (A)	758,062,297.11	
	Gross fiscal deficit if T2 > T1 (B)		
V.	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)		758,062,297.11
	or net fiscal deficit (B)		
VII.	CARRIED DEFICIT TO BE CHARGED (C) (1)		
VIII.	year n-4		
	year n-3		
	year n-2		
	year n-1		
	NET FISCAL result		
	Net fiscal profit (A-C)		

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

CALCULATION OF NET OPERATING INCOME (AFTER TAXES)		
I. INCOME CALCULATION		AMOUNT
- Operating Income (I/S)	(+/-)	2,631,264,654.88
- Tax operating additions	(+)	17,839,890.28
- Tax operating deductions	(-)	(57,697,307.66)
- THEORETICAL TAXABLE OPERATING INCOME	(=)	2,591,407,237.50
- Net operating income	(-)	829,250,316.00
- Net operating income	(=)	1,802,014,338.88
II. Summary of tax regulations and specific tax advantages		

DETAIL OF V.A.T				
Year ended Dec 31 2023				
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	189,443,662.52	1,018,496,316.15	1,074,093,122.30	133,846,856.37
B. Recoverable V.A.T	17,991,772.47	1,175,341,397.04	1,171,867,548.97	21,465,620.54
* On Expenses	17,991,772.47	1,175,341,397.04	1,171,867,548.97	21,465,620.54
* On Immobilizations	-	-	-	-
C. V.A.T payable or V.A.T credit	171,451,890.05	(156,845,080.89)	(97,774,426.67)	112,381,235.83

CONTINGENT LIABILITY

TAQA Morocco's tax declarations for the 2021 to 2023 financial years are not yet prescribed, and may be subject to tax audits and potential adjustments.

SHARE CAPITAL ALLOCATION

Capital amount: 2,358,854,200 MAD							
Year ended Dec 31 2023							
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
ABUDHABINATIONAL 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	20,236,583	20,236,583	100.00	2,023,658,300	2,023,658,300	2,023,658,300
Alastair James Mulligan	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
Saeed Hamad Obaid Abuqata Aldhaheeri	SOWWAHSQUARE-ALMAQAM TOWER-25th FLOOR-ALMARYAH ISLAND-ABUDHABI-EMIRATS ARABES UNIS	1	1	100.00	100	100	100
Nabil Abdulqader Hadi Alqubali Almessabi	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
Ahmed Ali Mohamed Ali Alshamsi	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
Farid Saleh Farid Mohamed AlAwlaqi	C/o Abu Dhabi National Energy Company PJSC - Al Maria Island, Level 23, 24, 25 Al Maqam Tower - Abu Dhabi, Emirats Arabes Unis	1	1	100.00	100	100	100
Public		3,351,957	3,351,954	100.00	335,195,400	335,195,400	335,195,400
TOTAL		23,588,542	23,588,542		2,358,854,200	2,358,854,200	2,358,854,200

(1) Quant le nombre des associés est inférieur ou égal à 10, l'entreprise doit déclarer tous les participants au capital. Dans les autres cas, il y a lieu de ne mentionner que les 10 principaux associés par ordre d'importance décroissante.

STATEMENT OF NET RESULT ALLOCATION

From January 2023 to December 2023			
	AMOUNT		AMOUNT
A. Origin of allocated results		B. Allocated results	
- Retained earning	23,786,468.91	- Legal reserve	-
- Net Income 2022	939,825,990.18	- Other reserve	138,013,489.09
- Income / Loss to be allocated		- Percentage of profit	825,598,970.00
- Deductions from reserves		- Dividends	-
- Other deductions		- Other profit allocation	-
		- Retained earnings	-
TOTAL A	963,612,459.09	TOTAL B	963,612,459.09

LAST THREE YEARS RESULTS

Year ended Dec 31 2023			
INDICATIONS	Year N-2 From 01/01/2021 to '31/12/2021	Year N-1 From 01/01/2022 to '31/12/2022	Year N From 01/01/2023 to '31/12/2023
. NET SHAREHOLDERS EQUITY			
Shareholders equity plus assimilated equity minus capitalized cost	4,598,586,808.73	4,716,261,482.28	6,194,455,076.43
. TRANSACTION AND RESULTS OF THE CURRENT YEAR			
1. Revenues	4,486,843,566.27	7,998,811,511.77	7,245,885,200.12
2. Pretax result	1,063,722,596.18	1,221,374,334.18	2,588,291,646.79
3. Corporate Tax	225,638,613.50	281,548,344.00	242,579,936.00
4. Dividends and related revenues distributed	825,598,970.00	825,598,970.00	825,598,970.00
5. Non distributed results (revenues to be allocated)			
. RESULT PER SHARE			
. Earning per share	35.53	39.84	99.44
. Dividend per share	35.00	35.00	35.00
. PERSONNEL			
. Current year gross salary amount	207,549,928.72	190,466,943.49	184,888,864.25
. Average staff employed during the current year	335.00	335.00	296.00

SUMMARY OF FOREIGN CURRENCIES TRANSACTIONS BOOKED DURING THE CURRENT YEAR

DESIGNATION	From January 2023 to December 2023	
	Inflow dirham equivalent	Outflow dirham equivalent
- Permanent financing	0.00	
- Gross fixed assets		
- Fixed Assets Disposals	0.00	
- Loan repayment		0.00
- Proceeds	21,299,219.90	
- Expenses		4,896,899,076.44
TOTAL INFLOWS	21,299,219.90	
TOTAL OUTFLOWS		4,896,899,076.44
BALANCE IN FOREIGN CURRENCIES	4,875,599,856.54	
TOTAL	4,896,899,076.44	4,896,899,076.44

FIXED DATE AND LATER EVENTS

From January 2023 to December 2023	
I. FIXED DATE	
. Closing date	December 31, 2023
. Establishment date of summary statement	February 23, 2024

II. SUBSEQUENT EVENTS TO THE CLOSING UNRELATED TO CURRENT YEAR AND KNOWN BEFORE THE COMMUNICATION OF THE SUMMARY STATEMENT

II. ÉVÈNEMENTS NÉS POSTÉRIEUREMENT À LA CLÔTURE DE L'EXERCICE NON RATTACHABLES À CET EXERCICE ET CONNUS AVANT LA PREMIÈRE COMMUNICATION EXTERNE DES ÉTATS DE SYNTHÈSE

Dates	Indication of events
	- Favourables
	NIL
	- Unfavourables
	NIL

**Deloitte Audit**

Boulevard Sidi Mohammed Benabdellah
Tour Ivoire III, 3^{ème} étage,
Casablanca Marina
Maroc



Espace Bureaux Clarence
13, Rue Al Kasr
Casablanca

To the Shareholders of
TAQA Morocco S.A.

Commune Moulay Abdellah,
Route régionale 301, PK23, Centrale Thermique de Jorf Lasfar El Jadida

GENERAL REPORT OF THE STATUTORY AUDITORS**PERIOD FROM JANUARY 1st TO DECEMBER 31st, 2023****AUDIT OF STATUTORY FINANCIAL STATEMENTS****OPINION**

In accordance with our engagement as statutory auditors by your general shareholders' meetings, we have audited the accompanying financial statements of TAQA Morocco S.A. (the Company) including the balance sheet as of December 31st, 2023, as well as the income statement, the statement of operating accounts and the cash flow statement for the year then ended as well as the additional disclosures (ETIC). These financial statements show shareholders' equity and reserves of MAD 6.243.269.529,88 including a net profit of MAD 2.345.711.710,79.

We certify that the financial statements referred to in the first paragraph above are regular and sincere and give, in all material aspects, a fair view of the result of the operations for the year then ended, as well as the financial position and assets of the Company TAQA Morocco S.A as of December 31st, 2023, in accordance with the accounting principles applicable 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 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 the audit of the financial statement in Morocco, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period.

We determined that there was no key audit matter to communicate.

RESPONSIBILITIES OF MANAGEMENT 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 the accounting principles applicable in Morocco, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, 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 management either intends 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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

of these financial statements.

As part of an audit in accordance with professional standards applicable in Morocco, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to frauds or errors, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 evidence 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 other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SPECIFIC PROCEDURES AND DISCLOSURES

We have also performed specific procedures required by law and we have, in particular, verified the consistency of the information provided in the Management Report addressed to the shareholders with the Company's financial statements.

Casablanca, February 27th, 2024

Deloitte Audit
French original signed by
Adnane FAOUZI
Partner

The Statutory Auditors

French original signed by
BENJELLOUN TOUIMI Consulting
Abdelmajid BENJELLOUN TOUIMI
Partner



TAQA Morocco

Jorf Lasfar Thermal Power Plant
B.P. 99 - Sidi Bouzid - El Jadida - Morocco
Phone : +212 523 389 000 - Fax: +212 523 345 375
www.taqamorocco.ma