



## SNEP

BLOOMBERG CODE: SNP MC  
REUTERS CODE: SNP.CS

## SECTOR | INFRASTRUCTURE |

6 LISTED COMPANIES

## PRELIMINARY ASSESSMENT POINT : DISRUPTION OF OXYGEN SUPPLIES

### Key event

As several countries around the world, Morocco is in turn under pressure on its health system, given the rise of COVID-19 contamination cases during this summer period. With a view to "vigilance", the competent authorities recently decided to direct all of the local production of oxygen to the various hospitals within the Kingdom. This exceptional situation would spread over an estimated period of two weeks.

Since oxygen is an essential input in the production process of several industries, it seems important to assess the impact of this decision on the listed companies concerned.

### Impact on SNEP

Assuming that this "exceptional" situation would cover a period of two weeks, the financial impact on SNEP during 2021 would be limited. According to our own estimates, this is a shortfall in terms of revenue of less than 3%. This scenario is justified by two main points:

- SNEP enjoys non-cyclical activity throughout the year. Therefore, a possible shutdown of production over two weeks would represent 4.2% of revenue ;
- Thanks to its storage capacity, SNEP would be able to cope with a supply disruption over a period of two weeks. However, we expect the pace of the company's delivery to slow down, pending confirmation of this exceptional period to end.

### Our opinion

In the event that the interruption of oxygen supplies were limited to only two weeks, SNEP's earnings loss would be easily recoverable in the few coming months. In fact, the stability of COVID-19 new cases and the acceleration of the vaccination rate to 54%<sup>(1)</sup> of the target population in Morocco support this scenario.

We remain confident about SNEP's ability to cross the MAD 100 Mn mark in profits during 2021. As a reminder, the operator suffered from a similar situation in November 2020 without feeling a visible impact on its annual results.

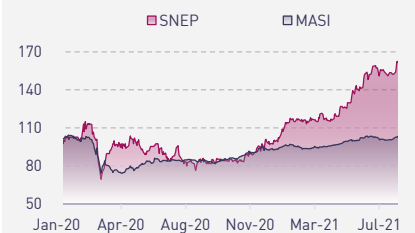
### Maria Iraqi

Manager  
+212 529 03 68 01  
m.iraqui@attijari.ma

### Taha Jaidi

Head of Strategy  
+212 529 03 68 23  
t.jaidi@attijari.ma

### STOCK EVOLUTION (BASE 100)



### MARKET INDICATORS

Performances (%)	1 M	3 M	12 M
SNEP	-3.4	15.4	80.8
MASI	3.4	3.7	22.4

ADV (MAD MN)	1 M	3 M	12 M
SNEP	1.2	2.6	1.5
MASI	81	209	133

Capitalization	On 08/13/2021
In MAD MN	1,714
In \$ MN	191

Prices as of 08/13/2021

(1) 16.2 Mn people obtained at least one dose of the vaccine compared to the population aged over 18 years

Sources : AGR analyzes & estimates, one to one interviews



# ATTIJARI GLOBAL RESEARCH

<b>HEAD OF STRATEGY</b> Taha Jaidi +212 5 29 03 68 23 t.jaidi@attijari.ma Casablanca	<b>MANAGER</b> Lamyae Oudghiri +212 5 29 03 68 18 l.oudghiri@attijari.ma Casablanca	<b>SENIOR ASSOCIATE</b> Mahat Zerhouni +212 5 29 03 68 16 m.zerhouni@attijari.ma Casablanca	<b>ASSOCIATE</b> Omar Cherkaoui +212 5 22 49 14 82 o.cherkaoui@attijari.ma Casablanca
<b>CHIEF ECONOMIST</b> Abdelaziz Lahlou +212 5 29 03 68 37 ab.lahlou@attijari.ma Casablanca	<b>MANAGER</b> Maria Iraqi +212 5 29 03 68 01 m.iraqui@attijari.ma Casablanca	<b>ASSOCIATE</b> Meryeme Hadi +212 5 22 49 14 82 m.hadi@attijari.ma Casablanca	<b>INVESTOR RELATIONS ANALYST</b> Nisrine Jamali +212 5 22 49 14 82 n.jamali@attijari.ma Casablanca
<b>SENIOR ANALYST</b> Ines Khouaja +216 31 34 13 10 khouaja.ines@attijaribourse.com.tn Tunis	<b>FINANCIAL ANALYST</b> Josiane Ouakam +237 233 43 14 46 j.ouakam@attijarisecurities.com Douala	<b>FINANCIAL ANALYST</b> Jean-Jacques Birba +225 20 21 98 26 jean-jacques.birba@sib.ci Abidjan	

## Equity

### BROKERAGE - MOROCCO

Abdellah Alaoui +212 5 29 03 68 27 a.alaoui@attijari.ma	Rachid Zakaria +212 5 29 03 68 48 r.zakaria@attijari.ma	Anis Hares +212 5 29 03 68 34 a.hares@attijari.ma	Alae Yahya +212 5 29 03 68 15 a.yahya@attijari.ma	Sofia Mohcine +212 5 22 49 59 52 s.mohcine@wafabourse.com
---	---	---	---	---

### CUSTODY - MOROCCO

Tarik Loudiyi +212 5 22 54 42 98 t.loudiyi@attijariwafa.com
---

### UEMOA - CÔTE D'IVOIRE

Mohamed Lemridi +225 20 21 98 26 mohamed.lemridi@sib.ci
---

### BROKERAGE - TUNISIA

Abdelkader Trad +225 20 21 98 26 trad.abdelkader@attijaribank.com.tn
--

### CEMAC - CAMEROUN

Sammy N.Ekambi +237 678 43 87 19 s.ekambi@attijarisecurities.com
--

## Bonds /Forex /Commodities

### MOROCCO

Mehdi Mabkhout +212 5 22 42 87 22 m.mabkhout@attijariwafa.com	Mohammed Hassoun Filali +212 5 22 42 87 24 m.hassounfilali@attijariwafa.com	Btissam Dakkouni +212 5 22 42 87 74 b.dakkouni@attijariwafa.com	Dalal Tahoune +212 5 22 42 87 07 d.tahoune@attijariwafa.com
---	---	---	---

### EGYPT

Mahmoud Bahaa +202 27 97 04 80 mahmoud.bahaa@barclays.com
---

### TUNISIA

Abdelkader Trad +216 71 80 29 22 trad.abdelkader@attijaribank.com.tn
--

### MIDDLE EAST - DUBAI

Serge Bahaderian +971 0 43 77 03 00 sbahaderian@attijari-me.com
---

### WAEMU - CÔTE D'IVOIRE

Abid Halim +225 20 20 01 55 abid.halim@sib.ci
---

### CEMAC - GABON

Youssef Hansali +241 01 77 72 42 youssef.hansali@ugb-banque.com
---

## DISCLAIMER

<p><b>RISKS</b> Investment in Securities is a risky operation. This document is intended for informed investors. The value and yield of an investment can be influenced by several factors both economic and technical. Previous performances of the different assets classes do not constitute a guarantee for subsequent achievements. Furthermore, forecast of future achievements may be based on assumptions that could not be realized.</p> <p><b>LIABILITY LIMITS</b> The investor acknowledges that these opinions constitute an element of decision support. He assumes full responsibility for his investment choices. Attijari Global Research can't be considered responsible for his investment choices. This document can under no circumstances be considered as an official confirmation of a transaction addressed to a person or entity and no guarantee can be made that this transaction will be concluded on the basis of the terms and conditions contained in this document or on the basis of other conditions. Attijari Global Research has neither verified nor conducted an independent analysis of the information contained in this document. Therefore, Attijari Global Research doesn't make any statement or guarantee and makes no commitment to this document's readers, in any way whatsoever regarding the relevance, accuracy or completeness of the information contained therein. In any case, readers should collect the internal and external opinions they deem necessary, including from lawyers, tax specialists, accountants, financial advisers, or any other experts, to verify the adequacy of the transactions which are presented to them. The final decision is the sole responsibility of the investor. Attijari Global Research can not be held responsible for financial losses or any decision made on the basis of the information contained in its presentations.</p> <p><b>INFORMATION SOURCE</b> Our publications are based on public information. Attijari Global Research strives for the reliability of the information provided. However, it is unable to guarantee its veracity or completeness. The opinions provided are expressed only by the analysts writers. This document and all attachments are based on public information and may in no circumstances be used or considered as a commitment from Attijari Global Research.</p> <p><b>CHANGE OF OPINION</b> The expressed recommendations reflect an opinion consisting of available and public elements during the preparation period of the said note. The views, opinions and other information expressed in this document are indicative and may be modified or removed at any time without prior notice.</p> <p><b>INDEPENDENCE OF OPINION</b> Attijari Global Research preserves full independence regarding the opinions and recommendations issued. As a result, the investment decisions of Attijariwafa bank Group subsidiaries may conflict with the recommendations and / or strategies published in the Research notes.</p> <p><b>REMUNERATION AND BUSINESS STREAM</b> Financial analysts responsible for the preparation of this report receive remunerations based on various factors, among which the quality of the research and the relevance of the topics discussed. Attijariwafa bank Group maintains a business stream with the companies covered in the publications of Attijari Global Research .</p> <p><b>ADEQUACY OF OBJECTIVES</b> The various publications of Attijari Global Research are prepared excluding the individual financial circumstances and objectives of persons who receive them. The instruments and discussed strategies may not be appropriate for the different investor profiles. For this reason, making an investment decision solely on these opinions may not lead to the intended objectives.</p> <p><b>OWNERSHIP AND DIFFUSION</b> This document is the property of Attijari Global Research. It may not be duplicated or copied partially or fully without the written consent of the management of Attijari Global Research. This document can be distributed only by Attijari Global Research or one of Attijariwafa bank Group's subsidiaries.</p> <p><b>SUPERVISORY AUTHORITIES</b> Attijari Global Research is subject to the supervision of the regulatory authorities for the various countries of presence. These include AMMC in Morocco, CMF in Tunisia, CREPMF in WAEMU, COSUMAF in CEMAC and CMA in Egypt. Any person accepting to receive this document is bound by the terms above.</p> <p>par l'organe de contrôle relatif aux différents pays de présence. Il s'agit plus précisément de l'AMMC au Maroc, de la CMF en Tunisie, de la CREPMF à l'UEMOA, de la COSUMAF à la CEMAC et de la CMA en Egypt. Toute personne acceptant la réception de ce document est liée par les termes ci-dessus.</p>
---