



The Stock Guide

A Quick Snapshot on Listed Companies (BRVM) Q1 2025– Utilities

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Key Data on the 04/07/2025

Target Price	6 250 XOF
Latest share price	6 000 XOF
Number of shares	9 000 000
Market Capitalization	54 000 M XOF
Dividend yield	8,2 %
Beta 1 year	0,36
RSI	38,16
PER	14,37

SHARE PRICE VS BRVM COMPOSITE INDEX



Comparative Study Q1 2024 vs Q1 2025

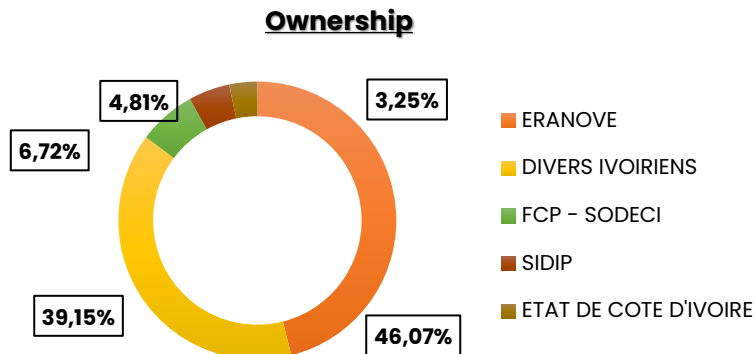
In Q1 2025, SODECI posted sales revenues of 41.64 XOF, up 9% compared to the same period in 2024 (38.25 billion XOF). This growth is supported by the increase in invoiced volumes, the intensification of anti-fraud actions, the commissioning of new production units and an improvement in the invoicing rate, both in Abidjan and in the interior of the country.

Profits from ordinary activities nevertheless fell by 28% to 915 million XOF, compared to 1.27 billion XOF in Q1 2024. This decline is explained by the increase in direct operating expenses, mainly related to inflation and higher energy costs. On the other hand, net income increased by 20% to 604 million XOF, thanks to better control of indirect costs and a favorable tax effect.

Compared to the end-2024 aggregates, the Q1 2025 results reflect a good trend in commercial activity, but persistent pressure on operating profitability.

About the Company

The Ivory Coast Water Distribution Company in 1959 as the successor and subsidiary of the French company "Saur". The company has been solely responsible for the production and distribution of drinking water in urban areas of Côte d'Ivoire since 1987.



Sectoral and Competitive Context

The water sector in Côte d'Ivoire is undergoing a major transformation, driven by strong ambitions in terms of universal access and infrastructure modernization. In this context, SODECI, a historical player in the sector, benefits from a solid positioning, but faces growing challenges. These include margin pressure from rising operating costs, significant capital requirements, and increased expectations for quality of service and national coverage.

However, the sector also presents many opportunities. The government's "Water for All" program is a major illustration of this. Recently, Deutsche Bank provided € 144 million (94.4 billion XOF) in financing to support this program, which aims to increase the rate of access to drinking water to 97% by the end of 2025. This favorable context offers SODECI the opportunity to strengthen its infrastructure, expand its customer base and consolidate its leadership position.

Strategy

In 2025, SODECI's strategy is part of a logic of consolidating its central role in access to drinking water in Côte d'Ivoire, while responding to the new challenges of efficiency, sustainability and national coverage. The company intends to strengthen its operational capacities through the extension and modernization of its infrastructure, in support of the government's "Water for All" program. This program, supported by financing of 94.4 billion XOF from Deutsche Bank, aims to increase the rate of access to drinking water to 97% by the end of 2025.

In addition, SODECI focuses its strategy on the continuous improvement of the quality of service, the reduction of technical losses and the digitization of its business processes. It also focuses on controlling operating costs, in a context marked by inflation and pressure on margins. This orientation aims to ensure sustainable growth while strengthening its social and environmental performance.

Recommendation

We recommend holding SODECI shares, pending more visibility on the evolution of results during the 2025 financial year, after the 27% decrease of net income between 2023 and 2024. In Q1 2025, the company posted a 9% increase in revenue, driven by an improvement in the billing rate and a favorable dynamic in drinking water distribution. However, earnings from ordinary activities were down 28%, driven by higher operating expenses, although net income increased by 20% thanks to better management of indirect expenses and a favorable tax effect.

In this context, SODECI intends to continue its efforts in terms of collection, stabilization of invoicing and cost control, with the aim of gradually improving its performance in the coming quarters.

At its current price of 6,050 XOF, the stock has a growth potential limited to 4% compared to our target price of 6,250 XOF.

BALANCE SHEET FOR THE PAST 5 YEARS

(In millions of XOF)	HISTORICAL DATA				
	2021	2022	2023	2024	2025 *
Assets					
Intangible Fixed Assets	1 244	1 034	1 051	727	615
Tangible Fixed Assets	37 020	42 469	44 230	44 448	47 316
Financial assets	1 271	2 210	4 598	13 020	15 377
Inventory	31 462	31 757	32 046	28 436	27 543
Cash - assets	33 475	12 598	3 841	45 337	71 763
Total Assets	297 251	353 554	381 718	432 406	490 328
Liabilities					
Capital	4 500	4 500	4 500	4 500	4 500
Share Premiums and Reserves	7 032	7 064	7 370	7 458	6 312
Other Shareholders' Equity	2 067	2 699	2 975	3 072	1 781
Total financial debt and similar liabilities	61 585	57 922	62 574	65 170	76 970
Cash liabilities	175 267	202 481	230 949	278 395	324 915
cash - liabilities	42 448	74 082	68 446	70 248	
Total Liabilities	297 251	353 554	381 718	432 406	488 619
INCOME STATEMENT FOR THE PAST 5 YEARS					
(In millions of XOF)	HISTORICAL DATA				
	2021	2022	2023	2024	2025 *
Sales of Goods	26	63	183	193	241,25
Commercial margin	26	63	183	193	241,25
Sales of Manufactured Products	74 530	92 935	101 838	121 111	138 067
Sales revenues	135 514	160 671	175 458	172 235	187 494
Capitalized Production	2 736	6 075	4 295	2 628	2 812
Reversals of Depreciation, Provisions and Impairments	788	1 884	375	254	244
Depreciation, Provisions and Impairment Charges	- 9 665 -	10 612	- 13 591	-11 430	- 12 459
Operating income	6 720	8 148	9 389	6 770	5 331
Financial Income and Related Revenues	911	541	715	40	50
Financial income	513	- 100	- 111	- 550	- 827
Income for Ordinary Activities	7 233	8 048	9 278	6 220	4 481
Net income	4 352	4 806	4 904	3 560	3 710

PERFORMANCE RATIOS

Profitability :		2021	2022	2023	2024	2025 *	Average
EBIT margin		4,96%	5,07%	5,35%	3,93%	2,84%	4,86%
Net margin		3,21%	2,99%	2,79%	2,07%	1,98%	2,89%
Income taxes/Net income		32,10%	35,09%	44,28%	39,96%	15,00%	37,09%
Salaries and wages/ sales revenues		16,32%	14,90%	14,03%	15,58%	15,45%	15,32%
DFA/Assets		25%	24%	30%	25%	26%	25,84%
Operating income/Total Assets		2,26%	2,30%	2,46%	1,57%	1,09%	2,19%
ROA		1,46%	1,36%	1,28%	0,82%	0,76%	1,30%
ROE		24,24%	25,20%	24,83%	19,15%	22,76%	24,01%
Debt management:		2021	2022	2023	2024	2025 *	Average
Total debt/Total assets		21%	16%	16%	15%	16%	19%
Debt/ (Debt + equity)		93%	93%	93%	94%	94%	93%
Liquidity/Solvency:		2021	2022	2023	2024	2025 *	Average
General liquidity		1,28	1,46	1,42	1,18	1,15	1,37
Net liquidity		1,04	1,00	1,00	2,00	3,00	1,23
Stock Market Parameters		2021	2022	2023	2024	2025 *	Average
Share Price on the 31/12		2 800	2 990	4 295	5 465	5 465	3 888
Net Dividend Per Share		293	338	432	450	450	356
Dividend Yield		10,4%	11,3%	10,1%	8,2%	8,2%	9,2%
PBR		2,15	2,58	2,17	2,75	3,35	3
PER		8,88	10,24	8,75	14,37	14,71	11
VALUATION							
Valuation methods		Estimated value		Weighting		Weighted value	
DDM		6 721		50%		3 361	
GORDON & SHAPIRO		5 778		50%		2 889	
Target price (XOF)						6 250	

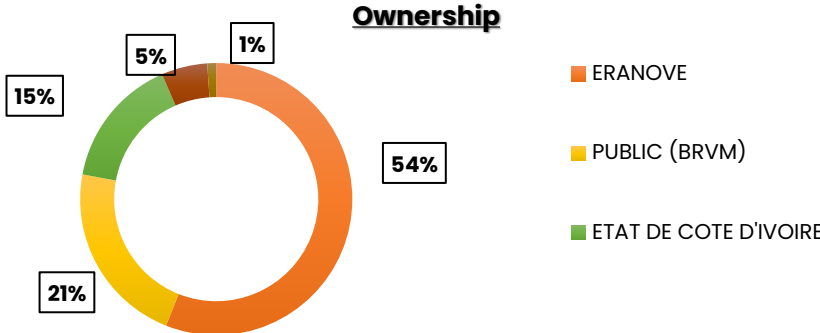

CONSERVATION

* 2025 results have been estimated

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Key Data on the 04/07/2025		About the Company	STRATEGY
Target Price	2 731F XOF	<p>Created on August 24, 1990 by the French group Bouygues and the electricity company EDF, CIE is a private Ivorian monopoly company that holds a public service concession for the production, transmission, export, distribution and marketing of electricity.</p> <div><p>Ownership</p><ul style="list-style-type: none">ERANOVEPUBLIC (BRVM)ETAT DE COTE D'IVOIRE</div>	<p>In 2025, the Ivorian Electricity Company (CIE) will begin a strategic turning point marked by a major change in its governance. As of July 16, Jean-Christian Turkson will take the reins of the company as Managing Director, succeeding Ahmadou Bakayoko. This appointment, decided by the Board of Directors, is part of a desire to strengthen CIE's strategic vision, in a context of energy transformation and infrastructure modernization.</p> <p>Under this new management, CIE intends to consolidate its position as a leader in electricity distribution in Côte d'Ivoire, while further integrating the challenges of technological innovation, digitalization of services and energy efficiency. The company will also continue its efforts to improve the quality of service, expand access to electricity in rural areas, and actively contribute to national energy transition ambitions. This new step should strengthen the growth and sustainability dynamics of the CIE.</p>
Latest share price	2 515 XOF		
Number of shares	56 000 000		
Market Capitalization	141 1203 XOF		
Dividend yield	7,2 %		
Beta 1 year	-0,01		
RSI	58,20		
PER	12,17		
SHARE PRICE VS BRVM COMPOSITE INDEX		<p>Comparative Study Q1 2024 vs Q1 2025</p> 	<p>RECOMMENDATION</p> <p>We recommend keeping CIE CI in a context of strategic transition and a favorable sector outlook. Although net income fell by 5% between 2023 and 2024, to XOF 10.1 billion, operational fundamentals remain solid, driven by a revival of activity in Q1 2024 and positive signals anticipated for 2025.</p> <p>The recent change in the leadership of governance, with the appointment of Jean-Christian Turkson as Chief Executive Officer as of July 2025, marks a new direction that could reinvigorate the company's strategy. In addition, the sector is benefiting from encouraging prospects, thanks to the gradual integration of renewable energies into the energy mix.</p> <p>At its current price of 2,515 XOF, the stock has an upside potential of 9% compared to our target price of 2,731 XOF. We are therefore still waiting for clearer signals before any position revision.</p>
<p>In Q1 2024, CIE benefited from a revival of activity (+25% on operating income) supported by PETER connections and public orders, generating a net profit of around 3 billion XOF.</p> <p>For the full year, the 2024 net result stands at 10.1 billion XOF, down slightly by 5% compared to the 10.63 billion XOF in 2023.</p> <p>Although Q1 2025 data is not yet available, our estimates are for an increase in EBITDA and earnings from ordinary activities, anticipating a moderate increase in net income (+'around 4%). This dynamic can be explained by the encouraging sectoral outlook, and the "Electricity for All" program, launched at the end of December 2022, which has since contributed to the increase in the number of electricity subscribers since its launch.</p> <p>Thus, optimism for Q1 2025 aligns with a sustainable recovery and growth trajectory for CIE.</p>			

BALANCE SHEET FOR THE PAST 5 YEARS						PERFORMANCE RATIOS						
(In millions of XOF)	HISTORICAL DATA					Profitability :	2021	2022	2023	2024	2025 *	Average
	2021	2022	2023	2024	2025 *	EBIT margin	6,67%	6,56%	6,40%	6,30%	6,18%	6,42%
Assets						Net margin	4,21%	4,11%	4,13%	3,84%	3,99%	4,06%
Intangible Fixed Assets	3 280	2 709	3 017	2 414	2 205	Income taxes/Net income	28,20%	25,57%	26,76%	31,53%	28,00%	28,01%
Tangible Fixed Assets	41 522	41 375	38 871	43 552	44 370	Salaries and wages/ sales revenues	23,79%	25,04%	25,19%	25,10%	25,55%	24,94%
Financial assets	77 838	86 747	96 474	105 484	116 735	DFA/ Assets	28%	32%	33%	31%	31%	30,93%
Inventory	36 723	48 529	49 146	54 836	63 061	Operating income/Total Assets	0,92%	0,86%	0,83%	0,82%	0,79%	0,85%
Cash - assets	136 919	69 748	108 795	173 858	212 528	ROA	0,58%	0,54%	0,54%	0,50%	0,51%	0,53%
Total Assets	1 679 593	1 816 387	1 975 051	2 019 137	2 147 768	ROE	30,17%	30,10%	31,80%	30,69%	33,07%	31,17%
Liabilities						Debt management:	2021	2022	2023	2024	2025 *	Average
Capital	14 000	14 000	14 000	14 000	14 000	Total debt/Total assets	0,03	0,03	0,03	0,03	0,03	0,03
Financial debt	57 327	56 665	57 666	59 052	59 646	Debt/ (Debt + equity)	0,64	0,63	0,63	0,64	0,64	0,64
Provision for risk and charges	12 421	12 661	12 661	13 154	13 409	Debt/equity	1,77	1,74	1,72	1,79	1,80	1,74
Cash liabilities	343 882	354 941	354 941	284 429	268 643	Liquidity/Solvency:	2021	2022	2023	2024	2025 *	Average
Total Liabilities	1 679 593	1 816 387	1 975 051	2 019 135	2 147 765	General liquidity	0,99	0,98	0,98	0,98	0,98	0,98
						Net liquidity	0,96	0,95	0,95	0,95	0,95	0,95
INCOME STATEMENT FOR THE PAST 5 YEARS						Stock Market Parameters	2021	2022	2023	2024	2025 *	Average
(In millions of XOF)	HISTORICAL DATA					Share Price on the 31/12	1 995	1 990	1 700	2 195	2 520	2 080
	2021	2022	2023	2024	2025 *	Net Dividend Per Share	153	158	171	158	162	161
Sales revenues	231 783	238 854	257 218	263 294	274 792	Dividend Yield	7,7%	7,9%	10,1%	7,2%	6,4%	8%
Added value	82 842	88 622	93 870	96 256	101 210	PBR	3,46	3,42	2,85	3,73	4,26	4
Salaries and wages	- 55 144	- 59 817	- 64 788	- 66 083	- 70 221	PER	11,45	11,35	8,95	12,17	12,88	11
Gross Operating Income	27 698	28 805	29 082	30 174	31 050	Valuation						
Reversals of Depreciation, Provisions and Impairments	284	998	1 003	489	816	Valuation methods	Estimated value	Weighting	Weighted value			
Depreciation, Provisions and Impairment Charges	- 12 534	- 14 125	- 13 626	- 14 072	- 14 655	DDM	2 695	50%	1 347			
Operating income	15 449	15 677	16 460	16 591	16 993	Gordon & Shapiro	2 767	50%	1 383			
Depreciation, Provisions and Impairment Charges	0	0	0	0	0	Target Price (XOF)			2 731			
Financial income	- 1 992	- 2 722	- 2 438	- 2 425	- 2 633				HOLDING			
Income for Ordinary Activities	13 456	12 956	14 022	14 165	14 426							
Non operating income	131	238	497	586	788							
Net income	9 756	9 820	10 633	10 100	10 954							

* 2025 results have been estimated

BRIDGE SECURITIES

« The One » Building,

Cocody 33, rue de la cannebière

Contact : +225 20 30 77 17 / 20 30 77 37

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