

AGUA (BUY, T.P. MXN\$45.00)

S&P maintained credit ratings

S&P Global Ratings maintained AGUA's issuer credit rating in national scale at 'mxA-' with a stable outlook and the long-term debt rating on the AGUA 17-2X sustainable bond at 'mxA-' in national scale. In its press release, the ratings agency mentioned the following factors: i) the company has an exceptional level of liquidity. Profitability and balance sheet improvements are expected through cash flow generation and growth strategies; ii) the sales and pricing strategy will continue to strengthen the financial indicators to meet the annual growth plan; iii) AGUA is expected to continue strengthening its business scale as new products and services consolidate in the market; and, iv) solutions offered by the company have high growth potential due to the water shortages that have occurred in several regions in Latin America. This news reinforces our favorable view on AGUA, we thus reiterate our BUY recommendation with a MXN\$45.00/share target price.

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