

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

Fitch Ratings ratifies credit ratings

Fitch Ratings affirmed the 'AA(mex)' long-term national scale rating of Grupo Rotoplas, S.A.B. of C.V. (Rotoplas). The Outlook is Stable. At the same time, it ratified the rating of the AGUA 17-2X Certificados Bursátiles issuance at 'AA(mex)'. According to Fitch: "The ratings reflect Rotoplas' strong and competitive position, supported by its market leadership, extensive distribution network and broad portfolio of solutions, as well as its strategy of increasing revenue diversification by geography and line of business. Additionally, they incorporate the expectation of a recovery in the company's profitability and financial profile as of 2022, to the extent that the pricing strategies improve margins and investments consolidate into positive results. The ratings consider the exposure to the economic activity of the different regions where Rotoplas has a presence, as well as the volatility in input prices." In our opinion, this rating reflects AGUA's strong fundamentals. We reiterate BUY with a MXN\$45.0/share target price.

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