

AGUA (BUY, T.P. MXN\$46.00)

Moves forward in its “Programmatic M&A” strategy with the acquisition of a plant in Puebla

AGUA announced the acquisition of a water treatment plant in operation in the city of Puebla, which focuses on the hotel and industrial sectors. This facility equals the combined capacity of 29 equivalent plants. The amount was not provided.

This operation is part of the company's "Programmatic M&A" strategy, which will include several small but frequent transactions, to gradually increase its presence in the market, penetrate new sectors, and create synergies that contribute to the overall strategy. In the AGUA DAY, management mentioned that the company plans to invest around MXN\$6 billion in acquisitions over the next 5 years.

From a strategic point of view, we believe that this purchase will strengthen AGUA's position in the water treatment business and accelerate its growth. We reiterate our BUY recommendation with MXN\$46.0/share target price.

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