

DPI invests in leading Moroccan Irrigation Systems and Solutions business, CMGP

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Development Partners International ('DPI'), a leading Pan African private equity firm has made an investment through African Development Partners II ("ADP II"), in Moroccan irrigation systems and solutions business, Compagnie Marocaine de Goutte à goutte et de Pompage ("CMGP").

Under the agreement, ADP II has acquired a majority stake in CMGP from existing shareholders, the original founding family, the Moamah family, and Amethis Maghreb Fund I, for a total amount of approximately US\$100mn. This will be the largest private equity transaction announced in Morocco in 2018.

Established in 1995, CMGP is the market leader for irrigation in Morocco and offers a comprehensive range of products across the manufacturing, distribution, and integration of irrigation and micro-irrigation equipment primarily into the agriculture and infrastructure sectors. As a core part of the business, the company offers a fully integrated irrigation solution to the agriculture sector, which is one of the country's most important sectors. Water scarcity is a critical issue in Morocco and in Africa. The products offered by CMGP allow its customers to use best-in-class irrigation solutions to maximise food production with less water usage.

Working in partnership with DPI, CMGP will look to continue diversifying its product range and expanding its geographical footprint in Africa.

DPI Partner Sofiane Lahmar said: "We are very excited to partner with CMGP and M. Youssef Moamah to support the company's growth in Morocco and across Africa. Over two-thirds of Morocco is listed as agricultural land according to the World Bank, with only a small percentage available for irrigation, therefore CMGP is well-positioned to grow and provide these essential solutions. In addition, there is considerable potential for expansion in irrigation across the African continent and we look forward to working with the company on a number of strategic initiatives to address this".

Runa Alam, CEO and co-founder of DPI noted: "DPI is committed to making investments in Morocco and we view the Francophone region of Africa as a core geographic area of focus. The investment in CMGP will mark our second investment in Morocco from our ADP II fund. The transaction will add to our geographical and industry diversification for the ADP II portfolio, consisting of finding quality assets and sponsors in line with our investment strategy in countries that complement the Fund's portfolio."

CMGP Chairman and CEO M. Youssef Moamah said: "Our company has delivered strong growth over the past two decades. We believe partnering with DPI will allow us to continue our strong organic growth in Morocco and further extend our footprint into new markets in Africa. We particularly appreciate DPI's proven experience of working with family-owned businesses and its deep understanding of the Moroccan and African markets".

Naciri & Associés Allen & Overy and PwC advised DPI on the transaction.

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Notes to Editors

About DPI

Development Partners International LLP (DPI) is a US\$1.1bn Africa-focused private equity firm that invests in companies benefiting from the fast-growing emerging middle class in Africa. DPI and its associates currently manage two pan-African private equity funds, African Development Partners I (ADP I) and African Development Partners II (ADP II).

Founded in 2007, DPI's investment process combines rigorous analysis with comprehensive due diligence. The firm seeks out compelling investment opportunities and aims to obtain exclusive terms, rational pricing and strong influence. The investment philosophy places great importance on working closely with the fund's portfolio companies to create value while looking for attractive exit opportunities throughout the fund's investment period. DPI invests in profitable or cash-flow positive companies which are growing either organically or through acquisitions or partnering with established corporations expanding into new regions in Africa.

About CMGP

CMGP, founded in 1995, is today the market leader for irrigation in Morocco owing this to its rich experience and professional expertise. With a comprehensive range of products and through close collaboration with the most important manufacturers, CMGP covers the distribution and installation of irrigation equipment and pumping stations.