

**DPI-backed CMGP combines with CAS to create Moroccan and Pan-African Agricultural champion**

- **Landmark transaction creates champion in the Moroccan and African agricultural sector, offering a “one stop shop” to farmers**
- **Accelerates regional growth to develop the agricultural sector across West Africa**
- **The combined entity will improve incomes and quality of life for farmers, support food security, and contribute to resolving water scarcity**

**London, 24 November 2020** – Development Partners International (“DPI”), a leading Pan-African private equity firm with a strong track record of investing across the continent, is pleased to announce the signing of Compagnie Marocaine de Goutte à Goutte et de Pompage’s (“CMGP”) landmark combination with Comptoir Agricole de Souss (“CAS”) creating a major new player in the Moroccan and African agricultural industry with combined sales of MAD 1.6 billion.

CMGP is a leading African provider of irrigation solutions and water infrastructure headquartered in Morocco, with operations across Morocco and West Africa.

CAS is one of the leading players in the agri-supply sector in Morocco, operating in three segments: irrigation, crop protection, and seeds and fertilisers. Founded in 1967 by Phillippe Alleon, current CEO Jacques Alleon has spearheaded the expansion of the business across Morocco since joining in 1994.

The two companies have delivered strong growth over the past two decades and the highly complementary capabilities of the two businesses – both leaders in their space with around MAD 1.6bn combined sales - represents an opportunity to create a unique end to end, one-stop shop market leader for Moroccan and West African farmers, uniquely positioned to deliver sustainable long-term growth. The combined business will also deliver significant positive social impact through improving farmers’ incomes and quality of life, helping solve significant water scarcity issues, and improving agricultural sustainability and food security.

DPI first invested in CMGP in 2018, supporting the business in diversifying its product range and expanding its geographical footprint in Africa. The investment was the largest private equity transaction announced in Morocco that year. As part of this transaction, DPI has committed additional capital into CMGP and is delighted to welcome AfricInvest as a new shareholder in the enlarged company.

Sofiane Lahmar, DPI Partner, said, “Agriculture in Morocco employs about 40% of the nation’s workforce and remains one of the main drivers of growth for the economy, contributing around 14% to GDP. Through the combination of CMGP and CAS, we will be able to further diversify the business’ operations, accelerate its growth in Morocco, and further expand its footprint across Africa. This combined business will benefit from a unique value proposition and strong distribution which we believe will deliver impressive growth in Morocco and across West Africa. We are thrilled to support this key milestone for CMGP and look forward to working with Youssef, Jacques, and the CMGP and CAS teams on implementing this new and exciting strategy and vision.”

Youssef Moamah, CEO, CMGP, commented, “Today’s announcement is an important moment for our companies: CMGP and CAS, together, will be the leading player in Morocco with a unique model in irrigation, agro-inputs and water infrastructure. This will be facilitated by the fact that CMGP and CAS have similar corporate cultures sharing the same values of excellence, integrity and caring for their employees, customers and the wider ecosystem.”

Jacques Alleon, CEO, CAS, commented, “This is a day of celebration and pride for us all - the combination of our two highly complementary companies will create the reference for the Moroccan and

African farmer in agriculture and water, providing significant growth opportunities, enabling us to become better partners for our customers and suppliers, and offering better development opportunities for all our employees.”

The transaction is subject to customary approvals including regulatory approvals and is expected to close in Q1 2021.

Smyle Finance, Derenia Capital, Naciri & Associés Allen & Overy, PwC, and the Boston Consulting Group advised CMGP and its shareholders on the transaction.

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**Notes to editors**

**About DPI**

Development Partners International LLP (DPI) is a Pan-African private equity firm with US\$1.7bn in AUM. Since the firm’s founding in 2007, DPI has made investments in 23 portfolio companies across 35 African countries and 17 industries. DPI portfolio companies employ over 42,000 people, and 18,000 jobs have been created during DPI’s investment.

DPI’s strategy is to build a diversified pan-African portfolio of private equity investments in established and growing companies benefiting from Africa’s fast-growing middle class.

As a signatory to the UN PRI and to the IFC Operating Principles for Impact Management, DPI promotes high ESG and Impact standards and seeks to contribute to the UN Sustainable Development Goals.

ADP III, its third fund, became the first 2X Challenge Flagship Fund, committing to integrate a gender lens to its investment process.

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**About CMGP**

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 water infrastructure equipment. 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 and energy usage. DPI acquired a significant stake in CMGP in 2018

**About CAS**

CAS is a family run business created in 1967 by Phillippe Alleon, initially to import and distribute agriculture supplies to the farmers of Souss, a fertile and important agricultural region in Morocco. Starting from 1980, the Company started to develop its network throughout the country and has opened 7 stores in Morocco. In 1994, Jacques Alleon, current CEO, joined the family business and led the development of the Company.

Today, CAS is one of the leading players in the agri-supply sector in Morocco. CAS operates in three main segments: irrigation equipment, crop protection and seeds and fertilisers. CAS also distributes other agri-supply products such as greenhouses. CAS is a leading actor in the phytosanitary and soluble fertiliser segments in Morocco.