

ADP II, a fund advised by DPI, and AfricInvest announce completion of CMGP and CAS merger, creating a leader in Moroccan and Pan-African Agriculture sector

London and Casablanca, 1 July 2021 – African Development Partners II (“ADP II”), a fund advised by Development Partners International (“DPI”), a leading impact-driven Pan-African private equity firm with a strong track record of investing across the continent, and AfricInvest, a longstanding pan-African alternative investment platform with local teams in more than 10 offices across Africa, Europe and the Middle East, are together pleased to announce the completion of Compagnie Marocaine de Goutte à Goutte et de Pompage’s (“CMGP”) landmark merger with Comptoir Agricole du Souss (“CAS”), creating a new champion in Moroccan and African agriculture, which will be known as CMGP-CAS.

The merger brings AfricInvest into the partnership alongside ADP II through an investment targeting the expansion of efficient irrigation and agricultural water management technologies to enable greater output and sustainability in agricultural production. Through its involvement, the AfricInvest team also aims to support the growth of CMGP-CAS’s partnerships across the African continent, mobilising its own network, especially in East and West Africa.

Agriculture is a critical industry in Morocco, employing 40% of the workforce, and accounting for 14% of GDP. Leveraging a combined 100 years’ experience in the sector with a focus on innovation, the new business, with combined sales of MAD 1.7 billion, will work to pioneer solutions in irrigation, fertigation, crop protection and solar energy to combat key challenges in Africa such as water scarcity and food security. CMGP and CAS also bring a complimentary focus in terms of product range and distribution channels, that will enable the combined business to become a world-class partner to farmers across the region, creating a one-stop-shop in the Moroccan and African agricultural sector.

Youssef Moamah, Founder and CEO of CMGP commented, “This is an historic day for our two companies. Together we are a clear Moroccan leader in irrigation, agricultural supplies, solar energy, and water infrastructure. We’ve been working closely to define in detail our strategy and operational model and great progress has already been made in executing the merger”.

Jacques Alléon, CEO of CAS commented, “This is a day of celebration and pride for us all. The interactions between our teams have confirmed to us that our businesses share the same values of excellence, integrity, and care for our people. This merger will accelerate the growth of our businesses and allow us to become a partner and employer of reference for Morocco and the continent”.

Sofiane Lahmar, Partner at DPI commented, “We are thrilled that CMGP has achieved this key milestone and look forward to continuing to work with Youssef, Jacques, and the CMGP and CAS teams on implementing this new and exciting strategy. With the combination of CMGP and CAS, we have created a major player in the sector, that will focus on innovation to better serve our clients and improve farmers’ income and quality of life. Integration of the new business is underway, and we are confident that the close cultural fit and shared ambitions of the two companies will enable a smooth transition, and help accelerate the growth aspirations across the continent, with plans to reach all major West African markets by 2024.”

Brahim El Jai, Senior Partner at AfricInvest, added, “AfricInvest is excited to be partnering with CMGP-CAS in the next stage of its development, accelerating best-in-class irrigation and fertilization solutions for its partners to maximize food production with less water usage. Moreover, we are pleased and proud to help deliver on our impact promise through supporting the growth of irrigation solutions that improve living conditions, and through bringing infrastructure for water adduction and sanitation that enables access not previously in place.”

CMGP and ADP II were advised by Derenia Capital, Smyle Finance, PwC and Allen & Overy. CAS was advised by BMCE Capital Conseil and Norton Rose Fullbright. AfricInvest was advised by DLA Piper.

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Media contacts

Development Partners International

Alex Simmons, Olivia Adebo, Chloe Payne

+44 (0)7970 174 353; +44 (0)7787 284 411; +27 72 673 0535

DPI@edelman.com

AfricInvest

Ann Wyman Senior Partner, Investor Engagement

+216 29 403536

ann.wyman@afriinvest.com

Notes to editors

About DPI

Development Partners International LLP (DPI) is a pan-African private equity firm with US\$2bn in AUM. Since the firm's founding in 2007, DPI has invested in 23 portfolio companies across 29 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 Principles for Responsible Investment (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. DPI has a female co-founder and CEO, half of the partners are women, and over 45% of the firm are women.

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About AfricInvest

AfricInvest is uniquely positioned as one of the continent's most experienced multi-strategy alternative investment managers. In its 28-year history, AfricInvest has raised USD 1.9bn across 21 funds, which are managed by dedicated investment teams consisting of more than 90 professionals based in ten offices. AfricInvest funds benefit from strong, long-term support from both international and local (African) commercial investors, as well as leading development finance institutions in Europe and North America.

To-date, AfricInvest has invested in 174 companies and completed 98 exits in a wide variety of sectors. The firm contributes to significant socio-economic development thanks to revenue and profitability growth, as well as environmental, social and governance improvements across its portfolio companies.

For more information about AfricInvest's impact, see the recently released 2020 Impact Report entitled [A Year of Agility and Innovation: Navigating the Pandemic](#)

Further information about AfricInvest:

Website: www.africinvest.com

Twitter: @Africinvest_Grp

LinkedIn: www.linkedin.com/company/africinvestgrp

About Compagnie Marocaine de Goutte à Goutte et de Pompage (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 Comptoir Agricole du Souss (CAS)

CAS is a family run business created in 1967 by Phillipe Alléon, 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 Alléon, 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 four main segments: irrigation equipment, crop protection and seeds and fertilisers. CAS also distributes other agri-supply products such as materials used in greenhouses. CAS is a leading actor in the phytosanitary and soluble fertiliser segments in Morocco.