

AZIZA

COUNTRY	→ Tunisia
BUSINESS FOCUS	→ Discount supermarket chain
INVESTMENT DATE	→ July 2019
INVESTMENT FUND	→ Mediterrania Capital III
COMPANY TYPE	→ Mid-Cap

THE COMPANY

Founded in 2014 by Ghassen Slama, Aziza is the leading food retail player in Tunisia. The company operates the largest store network in the country with 500 stores and 3,725 employees.

VALUE CREATION

In July 2019, Mediterrania Capital Partners had three objectives when it invested in Aziza through its MC III fund: to continue the company's expansion plan, optimise its operations and enhance its performance. With Mediterrania's financial, operating and strategic support, Aziza more than doubled the size of its network reaching 500 stores by the end of 2022 and created more than 2,000 new jobs in the 2½ years of Mediterrania's partial ownership. Aziza focuses on capturing the middle-class customer market by offering high-quality products at low prices, next-door convenience and simplicity.

Since Mediterrania Capital Partners' investment, Aziza has placed considerable emphasis on providing the highest-quality products at the lowest possible cost. Its own-brand product offering has expanded to fulfil customer needs from food to cleaning and hygiene, with a range of 200 labels. On average, the company's products are 40% cheaper than those of competitors and are consistently ranked #1 in terms of "value for money" by customers.

One of the key elements of Aziza's operating model is the company's close relationship with its suppliers. At the recommendation of Mediterrania Capital Partners, Aziza began to implement long-term offtake agreements with local suppliers in order to establish durable relationships, guarantee constant prices, ensure the highest level of quality and responsiveness and shorten the logistics chain by using trucks at full capacity.

Following Mediterrania Capital's investment, Aziza hired an external consultant who worked with the

management to improve the price/quality ratio of the product offering and ensure that enough resources were dedicated to innovation both in-house and by its suppliers in order to develop new products. The consultant also worked on the development of new store portfolios and concepts, analysed Aziza's branded and private-label offerings and helped define the right omnichannel strategies.

ESG ACTIONS

Under Mediterrania's guidance, Aziza appointed an Energy Efficiency Director to supervise the implementation of several initiatives to minimise its environmental footprint and started to shift towards renewable energy by installing photovoltaic panels at its stores while modernising the freezing systems in its stores to reduce their energy consumption.

Following Mediterrania Capital Partners' investment, Aziza created an ESG department headed by a Quality, Health, Safety and Environment (QHSE) Director who leads a team of 10 people including a Quality Manager, a HSE Manager and three internal QSHE auditors.

Meanwhile, Aziza's HR policies started to promote the hiring of new employees from neighbouring communities to ensure an easy commute encouraging a good work life balance. The group also implemented a transparent employee communication policy regarding working conditions, health risks, compensation and pay practices, making it easier to understand and to correct unfair pay differences and respond to growing concerns about societal income inequality.

Aziza is also committed to improving the gender balance and has made constant progress during the last three years, with 36% female representation in the workforce (vs 34% in 2020) and 27% female senior executives in 2021.



IN PORTFOLIO



“ The team of Mediterrania Capital Partners, with its hands-on approach, solid business expertise, ethical working standards and deep respect for the employee and the customer is the perfect partner for us. With Mediterrania Capital Partners’ support, we are developing the company further as Aziza enters a new expansion phase. ”

Ghassen Slama,
Founder and CEO of Aziza

REVENUES 2022 (e)

€315 million

500 stores