

# INDIGO COMPANY

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|------------------------|---|
| <b>COUNTRIES</b>       | → Tunisia, Morocco and Algeria                      |
| <b>BUSINESS FOCUS</b>  | → Commercialisation of fashion and lifestyle brands |
| <b>INVESTMENT DATE</b> | → November 2015                                     |
| <b>INVESTMENT FUND</b> | → Mediterrania Capital II                           |
| <b>COMPANY TYPE</b>    | → Mid-Cap   |

## THE COMPANY

Indigo Company is a Tunisian retail apparel group founded in 1997 by the Ben Salem brothers. It sells fashion and lifestyle brands from major international groups, including Inditex, LC Waikiki, Celio and Mango. The group expanded its reach to Morocco in 2002 and Algeria in 2012.

## VALUE CREATION

Following Mediterrania Capital Partners' investment, Indigo started an expansion phase with the opening of 12 new stores in 2016 (three in Tunisia, five in Algeria and four in Morocco), followed by nine new stores in 2017 (four in Tunisia, four in Algeria and one in Morocco), five new stores in 2018 (four in Tunisia and one in Algeria), 19 new stores in 2019 (six in Algeria, two in Morocco and 11 in Tunisia) and three new stores in 2022 (two in Tunisia and one in Morocco). Indigo's current expansion strategy is focused in Tunisia, where the company is the market leader, with a planned opening of 16 new stores for 2023.

In November 2019, Indigo opened the Mall of Sousse in Tunisia enabling the group to open a new store for each of its brands and launch the Lefties brand (Inditex group) with a brand-new store. Led and owned by the Ben Salem family, the Mall of Sousse is the largest shopping mall in the region with a gross leasable area of 65,000 sq. m., 120 stores selling local and foreign brands and 15 restaurants.

The Covid-19 crisis in 2020 led to the opening of new stores being postponed or cancelled and prompted the development of online sales distribution channels for brands such as Zara and Celio. The group also built a partnership with Jumia, an online marketplace in Africa, to support its online business in Morocco.

In 2021, the restrictions were still partially in place due to several additional Covid-19 waves in the region and the group accelerated the launch of online sales

in Tunisia covering Zara, Celio, Bershka, Pull&Bear, Massimo Dutti and Zara Home. In parallel, Indigo opened three Undiz store and one Jennyfer store in Morocco, as well as a first store of Tape à L'oeil after obtaining a new franchise with the French brand focused on child apparel.

## ESG ACTIONS

Following Mediterrania Capital Partners' investment, the group's HR department has developed an internal matrix of selection criteria — including a wider range of personality traits on job applicants, such as patience, competitiveness, team spirit, empathy, willingness to learn, passion for the brand, etc. —, which has greatly improved Indigo's recruitment process.

As part of Indigo's training programme, employees must complete a set of courses to ensure their own health and safety within Indigo's stores and premises, with topics such as fire, slipping, etc. Indigo has taken action to reduce waste by recently launching its first discount outlet in Tunisia for unsold clothes and accessories that cannot be destroyed or returned to the manufacturers.

Likewise, Indigo donates around 5,000 garments annually to selected NGOs and has also developed a new programme, called "Artisan", through which unsold garments are donated to Tunisian artisans who recycle them by creating useful objects, carpets, pillows, etc. The programme helps small businesses, creates new jobs and has driven the opening of a concept store in the Mall of Sousse to promote craft works made by associations, young designers, independent artisans and eco-friendly brands.

PARTIALLY EXITED  
(NOVEMBER 2022)



“ Thanks to *Mediterrania Capital Partners'* financial and strategic support, in the last seven years we have opened more than 50 new stores and built the largest shopping mall in Tunisia significantly expanding our business in the region. *Mediterrania Capital team's* solid business expertise, strong focus on execution and rigorous implementation of governance processes have been crucial in helping us achieve our ambitious expansion plans. ”

**Zakaria Ben Salem**, CEO of Indigo Company

REVENUES 2022 (e)

€132 million

16 new outlets  
planned to open in 2023