

INDIGO COMPANY

COUNTRIES	→ Tunisia, Morocco and Algeria
BUSINESS FOCUS	→ Commercialisation of fashion and lifestyle brands
INVESTMENT DATE	→ November 2015
INVESTMENT FUND	→ Mediterrania Capital II
COMPANY TYPE	→ Mid-Cap (At investment)

THE COMPANY

Indigo Company is a Tunisian retail apparel group founded in 1997 by the Ben Salem brothers. It sells 12 fashion and lifestyle brands from five major international groups, including Inditex, LC Waikiki, Celio and Mango. The group expanded its reach to Morocco in 2002 and Algeria in 2012, and today it operates a network of 112 outlets in the three countries.

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) and 19 new stores in 2019 (six in Algeria, two in Morocco and 11 in Tunisia), totalling 112 stores across the three countries.

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 mall expects to welcome 7–10 million visitors per year.

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

Another project, the Tunis Garden City mall, also owned and led by the Ben Salem family, is breaking new ground. With a gross leasable area of 60,000 sq. m., it is due to be completed by the end of 2022 and will enable Indigo to further expand its store network in Tunisia.

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.



“Thanks to *Mediterrania Capital Partners'* financial and strategic support, we have opened 55 new stores and built the largest shopping mall in Tunisia significantly expanding our business in the region in the last five years. *Mediterrania Capital team's* solid business expertise, strong focus on execution and rigorous implementation of governance processes are crucial in helping us achieve *Indigo's* ambitious expansion plans.”

ZAKARIA BEN SALEM, CEO OF INDIGO COMPANY

REVENUES 2020 (€)

€109 million

112 outlets