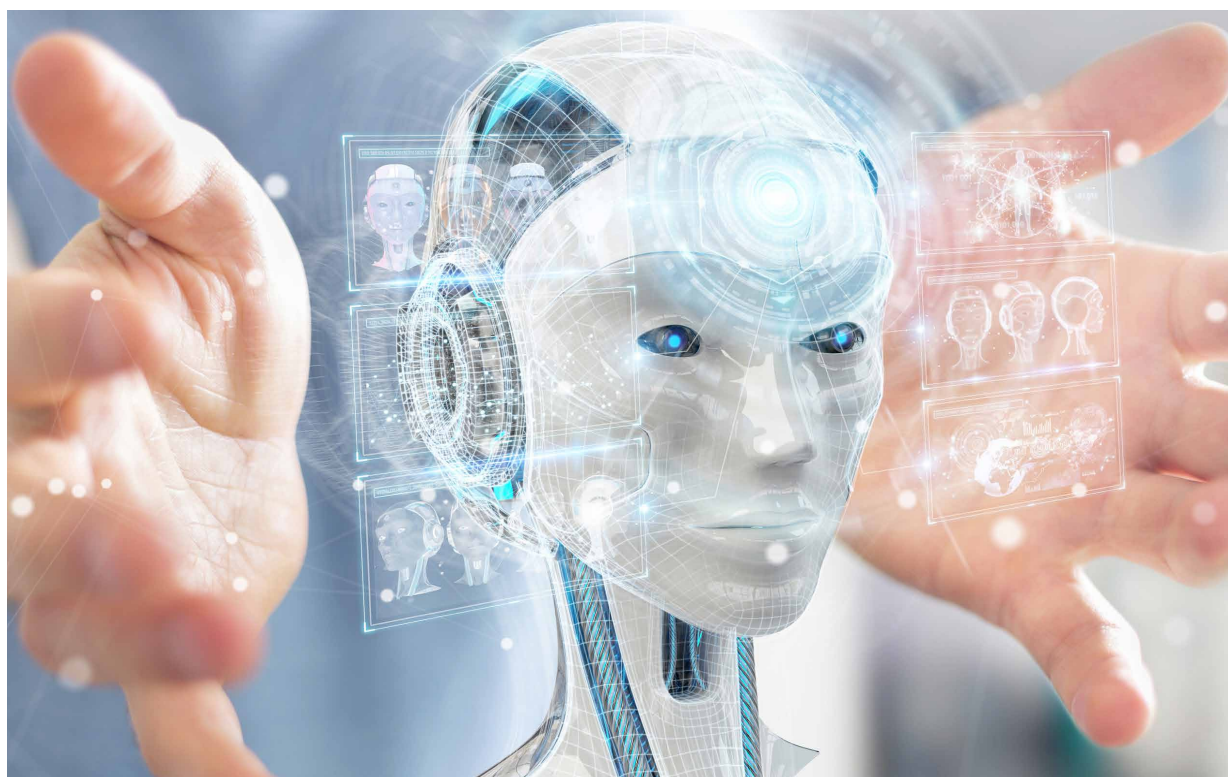


Quadrivio plots debut AI fund launch this year – co-founder



by **Cristiano Dalla Bona**

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Italian consumer sector-focused private equity (PE) firm **Quadrivio Group** is planning a new artificial intelligence (AI)-focused fund, CEO and managing partner Walter Ricciotti told this news service.

The fund will invest in industrial small to medium enterprises focused on the implementation of AI, he said, especially across the manufacturing and services sectors.

Size and technicalities around the entity are still being discussed, he explained, and material steps for the launch of the fund will be taken in the coming months, he added.

A formal launch is expected after the summer, he said.

Quadrivio's plans come as PE firms are pondering how to play in the burgeoning area of AI, especially with significant public investment in the works. Last month, Italy unveiled plans for the establishment of a EUR 1bn investment fund announced by Prime Minister Giorgia Meloni. The fund, which will foster AI projects, comes with the potential to raise an additional EUR 2bn from private sector contributions, added Agostino Scornajenchi, the CEO of **CDP Venture Capital**, a unit of state lender **Cassa Depositi e Prestiti (CDP)**.

The Italian government is also looking to establish new regulatory frameworks around the development of AI technologies.

Exits under study

Several companies within Quadrivio's 2021-vintage, EUR 300m Made in Italy fund, which invests in SMEs operating in the fashion, design, beauty and food industries, are reaching maturity, Ricciotti explained.

The fund's portfolio companies recorded positive performance in the first three months of the year, except for in Germany, he said, which is undergoing wider economic challenges.

While he did not disclose which assets are likely to hit the market first, he referred to the previously reported upcoming sale of clothing manufacturer and wholesaler **Dondup**, for which exploratory discussions with advisers are ongoing.

"We expect a lot more dealmaking in the coming months and year," he said. The firm was relatively cautious in 2023 amid worsening market conditions and high expectations from prospective sellers, but now valuations are more reasonable, he said.

Quadrivio could strike up to nine investments by the end of the year, he said.

Quadrivio is also harbouring large organic growth investment plans, with a slate of senior management hires in the works for the coming months, he said.

The firm is continuing to make progress with the fundraises for its Made in Italy Fund II, which has a EUR 500m target, and its Silver Economy Fund, which is targeting EUR 300m, group CEO and managing partner Alessandro Binello told this news service last month.