

PRESS RELEASE

QUADRIVIO GROUP INVESTS IN EPI AND EXPANDS INTO DIGITAL SERVICES FOR THE SPORTS WORLD

Industry 4.0 Fund, Quadrivio Group's private equity fund, makes its third investment and signs a deal to become the main stakeholder in EPI, an Italian leader in online and retail sports merchandising sales

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Quadrivio Group, through its private equity vehicle **Industry 4.0 Fund** for investment in digitalizing SMEs, **has acquired the majority stake in EPI, an Italian 'brick and click' company and partner in managing merchandising for the leading clubs in first-division soccer and the National Basketball Association (NBA).**

Founded in 1996 in Milan by Lorenzo Forte, EPI was among the pioneers developing e-commerce channels in the sports merchandising sector. The firm started out by handling Michael Schumacher's merchandising, and since 2002 has been expanding and managing the first official online stores for top-division Italian football clubs. A multi-channel business logic has taken these online spaces to be accompanied by retail outlets in the most prominent Italian cities. **Today EPI can go proud of well-established partnerships with AC Milan, ACF Fiorentina, AS Roma, Atalanta, FC Inter, Juventus FC, NBA, Pallacanestro Olimpia Milano and SS Lazio.**

EPI is currently the main operator in the sports merchandising sector, focusing on professional soccer, a market presenting great development potential. The company's business model melds managing e-commerce channels with specialist skills in the retail segment, through an all-round approach encompassing all aspects from purchase planning to marketing, and from product customization to logistics, through to delivery to the end consumer.

These activities in the football realm are accompanied by **the brick-and-mortar retail of the NBA brand, which EPI manages through its Milan store** – the first official outlet in Europe to offer fans the opportunity to buy apparel and accessories by an extensive number of teams, as well as a vast range of customizable products and vintage items.

The Milan store is just a first step in an **international expansion strategy, which involves the opening of further NBA official outlets throughout Europe.**

Today EPI has a turnover of 25 million euros, a net profit of 10% and has registered a 50% growth in e-commerce sales. Its realistic target for the next three years is therefore to push its turnover beyond 50 million euros on a domestic market estimated at 250 million euros, with a forecast growth rate of 10%.

With 85 employees and over 500,000 orders dispatched every year, EPI will draw on this investment to further strengthen its managerial structure and its leadership in the sports merchandising market, thanks to new partnerships and new business channels, such as large-scale sports events pivoting not only on football.

EPI's goals also include strengthening its **e-commerce channel solutions, through a constant quest for ever greater efficiency, innovation and personalization of the purchase experience**, in order to offer the end customer a level of service in line with the best market entities.

Quadrivio Group's investment stands firmly within a broader strategy introduced by Industry 4.0 Fund, the apparatus launched in co-partnership with Roberto Crapelli. The fund's aim is to invest in Italian firms with a pronounced Industry 4.0 approach, promoting their competitiveness and accelerating their development and growth at an international level.

By acquiring EPI, Industry 4.0 Fund confirms once again the soundness of the investment strategies brought into being by **Quadrivio Group, which prefers industrial partnerships with enterprisers/shareholders over financial operations**. The outcome is a swift growth in value, which can only be achieved by introducing technologies that make traditional intermediation roles obsolete.

The EPI investment is Industry 4.0 Fund's third operation of this kind, and follows the acquisition of F&DE Group, a leading entity in services to hotel catering, and Rototech, an Italian company that designs and produces plastic parts for the trucking, construction and farming sectors.

"EPI stands as another Industry 4.0 acquisition in a high-interest combination for capital in this era: e-commerce in sport and soccer teams. Industry 4.0 Fund is completing an investment that is fully in keeping with its investment strategy: swiftly creating value by injecting Industry 4.0 technologies into the old economy to convert it into a new economy. It is a business partnership that has taken shape with the goal of developing a European merchandising and marketing champion, at the service of the leading brands for the main sports clubs, especially involving football. This company has grown during the Covid period, thus demonstrating the extraordinary potential of e-commerce centring on the world's greatest game – soccer. EPI is a prevalently digital firm, which generates cash flow and whose turnover and gross profits are up on those of last year," commented **Roberto Crapelli, Managing Partner at Industry 4.0 Fund**.

"We see Industry 4.0 Fund joining this company as an opportunity for growth, evolution and an improved professional managerial approach. EPI has always focused on efficient and effective management of relations with our sports partners, for the ultimate goal of offering fans the best purchase experience possible and full expression of their enthusiasm for their sport. Quadrivio Group's support means we will be able to work on further strengthening our assets of value and our infrastructures, on constantly improving the level of service offered to teams and end customers, and on investments for expansion and internationalization," added **Lorenzo Forte, founding partner at EPI**.

The Quadrivio Group team received support in operation structuring and negotiation from **MBA-Stout as M&A advisors**; for financial and market due diligence, it was assisted by **PwC**; in taxation matters by **Russo De Rosa Associati**; and for legal aspects, by **Giliberti Triscornia & Associati**.

On the EPI side, the seller was assisted in operation planning and management by **T8P Consulting**, an M&A advisory and strategic consultancy firm based in London and Milan, while legal matters were taken care of by **DLA Paper (Danilo Surdi and Carlos Rosquet Martinez)**.

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Quadrivio Group

Quadrivio Group is a company active in the alternative investments realm. The group has been operating in private equity for over 20 years. Managed and promoted in co-partnership with Roberto Crapelli, Industry 4.0 Fund invests in digitalizing SMEs, supporting them for international growth and in adopting 4.0 technologies.

The management team is made up of Alessandro Binello, Walter Ricciotti, Roberto Crapelli and Pietro Paparoni, with assistance from a highly specialized senior advisory board.

As of today, Industry 4.0 Fund has invested in F&DE Group, a leading entity in services to hotel catering (www.fedegroup.it), and Rototech, an Italian company that designs and produces plastic parts for the industrial, construction and farming sectors (www.rototech.it).

Info: www.industry4zerofund.com

EPI

EPI is a 'brick and click' firm that manages the official physical and online stores for top Italian football clubs and other prominent international brands. The company is also the official licensee for customizable products. Founded in 1996, EPI began operating in sports merchandising by mail order. It set out from Formula 1 and then expanded into the soccer world in 2002, the year when its first official stores focusing on the individual football clubs were launched, with complete in-house management. The firm handles the entire sales process: from purchase planning through to delivery to the end consumer.

www.episrl.it