



EQUINOX



MVC GROUP ACQUIRES 70% OF ZOOT, STRENGTHENING POSITION IN TRIATHLON MARKET AND U.S. PRESENCE

Fonziaso, Italy, October 5, 2023. **MVC GROUP**, which produces outdoor and cycling clothing under the **Castelli, Karpos and Sportful** brands, today announced the **acquisition of 70% of Zoot**, a US-based leader in the production and marketing of **clothing and accessories for triathlon**.

Founded in 1946 by the Cremonese family and now under the leadership of the third generation, MVC Group is 40% owned by the Equinox fund and in 2022 generated consolidated turnover of €132.4 million.

“The acquisition of Zoot aligns with our **strategy of growth and expansion** and will **strengthen MVC’s position in the U.S. market**, where we’ve been operating through a subsidiary for more than 20 years, in addition to allowing us to expand in the **triathlon segment** — a sport that is demonstrating significant growth and has an appealing base of high-spending consumers,” said Alessio Cremonese, CEO of MVC Group. “Zoot’s direct presence in the Philippines will also allow us to benefit from **vertically integrated production** and further enhance the organizational structure that today manages the **Castelli, Sportful and Karpos** brands.”

Founded in 1983 in Kona, Hawaii, and headquartered since 2003 in **San Diego, California**, and with a factory in the Philippines, **Zoot** is one of the **most influential and best-known companies in the triathlon sector**. The company expects to close 2023 with turnover of approximately \$10 million and EBITDA of \$3 million.

“In addition to expanding our presence in the triathlon market, the acquisition of Zoot gives us the **opportunity to enhance our positioning in the strategic direct-to-consumer channel**, where Zoot generates approximately **70% of its turnover, with an operating margin of more than 30%**,” said Alberto Cremonese, president of MVC and head of the IT division.

The **DTC channel** is an **important driver of growth for MVC Group** and is an integral part of the growth plan implemented after Equinox became a shareholder. The goal is to expand the channel, which today accounts for about 14% of turnover, to 20% of the total by 2025.

“We are proud to support MVC in this acquisition, which will enable the group to **pursue its growth and development plan**, with the addition of an important new **brand in a sport that continues to attract new consumers**; the implementation of a more

advanced **DTC** channel strategy; and the strengthening of the **U.S. subsidiary**, which will draw on the skills of the Zoot leadership team to manage MVC's entire U.S. business," added Massimiliano Monti, Equinox partner. "With this transaction, MVC Group also demonstrates its ability to address the challenges and trends in the market and to play an active role in the sector **as a house of brands integrating multiple complementary brands.**"

Following the acquisition, **Doug Vargo**, current CFO of Zoot, will be appointed **CEO of Zoot and MVC US**. **Shawn O'Shea** will become **global head of the triathlon division and will manage both the Zoot brand and the triathlon component of the Castelli brand**.

"We are excited to join MVC Group, and we are confident that the expertise of its management team and the synergies that can be developed will provide **new growth opportunities** for Zoot. MVC's e-commerce platform will allow us to **expand our reach into new and interesting markets** such as Europe, Japan and China," said **Shawn O'Shea**, current **President of Zoot**.

MVC's advisors in the acquisition of Zoot included Mediobanca as financial advisor; the law firms Advant Nctm in Italy, Tarter Krinsky&Drogin in the U.S. as legal advisors; and PwC as financial and tax advisor.

Zoot was assisted by the Meriwether Group as financial advisors; the law firm of White Summers as legal advisors; and Mark Hayes CPA as financial and tax advisor.

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About MCV Group

Established in 1946 by the Cremonese family and now under the guidance of the third generation, MVC Group is a leader in technical sportswear for cycling and outdoor sports — hiking, mountaineering, climbing, ski mountaineering and cross-country skiing — with the Sportful, Castelli and Karpos brands. In 2019 the Equinox fund acquired a minority share (40%) of the group that today is present in 75 countries around the world with three brands, seven subsidiaries and more than 250 employees. MVC closed 2022 with consolidated turnover of approximately €132.4 million and EBITDA margin of 19.3%.

www.mvcgroup.com/it

About Zoot

Zoot was founded in 1983 in Kona, Hawaii, and has been headquartered in Carlsbad (San Diego), California, since 2003. Today the company is a leader in triathlon clothing and footwear, producing high-quality running shoes; triathlon, running and cycling clothing; and wetsuits.

Zoot has grown to be a leading endurance sports brand that is distributed worldwide and is the creator of the first triathlon-specific footwear line. Zoot continues to invest in delivering an increasingly comprehensive and technologically advanced range of multisport products.

www.zootsports.com

About Equinox

Equinox is a private equity company that invests in Italian companies in the mid-market segment, primarily through joint control operations, i.e., by taking majority or qualified minority positions.

Equinox's operations are based on a strong business-oriented approach, aimed at understanding the needs of entrepreneurs and investee companies in order to formulate the most appropriate strategies to promote growth and the creation of new economic value.

Equinox III SIF-SLP is a fund governed by Luxembourg law with capital resources of more than €360 million in subscriber commitments from some of the major Italian institutional investors and from various private investors and family offices, as well as the European Investment Fund, which benefits from the financial support of the European Union through the EFSI mechanism.

For more information:

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