

FLEX CAPITAL is a private equity fund that was founded by successful serial entrepreneurs and invests in profitable and growing German internet and software SMEs.

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Private equity investor FLEX Capital closes second fund of EUR 300 million with the aim of elevating further German-speaking medium-sized software and tech companies onto the global stage

- **The private equity investor FLEX Capital has closed its largest fund to date, worth EUR 300 million.**
- This new fund is structured as a trading fund that enables FLEX Capital to support its future portfolio companies operationally in addition to the financial investment. The fund is backed by the software and tech entrepreneurs Christoph Jost, Peter Waleczek, Felix Haas, Jan Becker, Andreas Etten and Dr. Robert Wuttke.
- **The investment focus is on small and medium-sized profitable software and tech companies in German-speaking Europe, which is the second largest software market in the world in terms of sales.**
- FLEX Capital sees itself as a next-generation private equity fund, as the fund's entrepreneurial background differs greatly from other private equity funds. The partners and employees in key roles are experienced entrepreneurs and the investors are also primarily successful technology entrepreneurs.

Berlin, Januar 19, 2023. FLEX Capital, the private equity fund focusing on profitable and growing software and tech SMEs in German-speaking Europe, has closed its second fund of EUR 300 million. The group of investors includes fund of funds, institutional investors such as asset management companies and endowment funds from Europe and the USA, the founders of successful tech companies including the founders of the FLEX portfolio companies and a FC Bayern soccer player.

The fund is backed by the software and tech entrepreneurs Christoph Jost, Peter Waleczek, Felix Haas, Jan Becker, Andreas Etten and Dr. Robert Wuttke. The companies founded by the FLEX Partners now employ more than 1,500 people on six continents and generate total sales of more than 200 million euros. Their investment track record includes over 140 investments in companies with a total enterprise value of over EUR 20 billion.

“We are very pleased with the trust that our investors have placed in us. Especially since we are a next-generation fund and deliberately do a lot of things differently,” comments **Christoph Jost, Managing Partner of FLEX Capital**, adding: “A healthy and growing software industry is the basis for future prosperity in Europe. The DACH region continues to lag behind the USA in terms of innovation and growth. In order to achieve the necessary strengthening of our own software sector in the DACH region through innovation and growth, more capital and know-how must flow into successful software and tech companies that are already category leaders and have the potential to rise to the global stage. The new fund will enable us to do just that once again: to invest in outstanding entrepreneurs and management teams who are looking for a competent partner for the further development of their software companies.”

Since its foundation in 2019, FLEX Capital has acquired thirteen medium-sized software companies and taken them to the next level of growth. In just 2 years, for example, the QR software company Egoditor increased its sales by 250% while at the same time growing its EBITDA by 340%. The first exit to a US software house backed by private equity has returned more than the entire first fund.

With the second fund of EUR 300 million, FLEX was able to more than double the size of the first fund in 2019 of EUR 126 million.

A strong sign that investors, especially in times of crisis, rely on profitable software and tech SMEs and trust FLEX Capital as a capable investor.

The next generation approach and the advantages of a trading fund

We call ourselves a Next Generation Private Equity Fund, not only because of our entrepreneurial background, but also because we place sustainability and social goals and responsible corporate governance at the forefront of our actions (so-called ESG criteria). With the new trading fund structure, we differ from many private equity funds in another aspect,” says **Peter Waleczek, Managing Partner of FLEX Capital**, and explains, “As a trading fund, we can really get involved operationally and not just give advice from the sidelines. Therefore, we have built up a team of almost 30 people who bring experience and expertise to the table in central areas such as human resources, business intelligence, marketing or sales and actively contribute this to the portfolio companies. Fast-growing companies in particular encounter turning points in their development where they need a partner who can support them in setting up and professionalizing important areas of the company.”



Stable growth driver: The market for software and IT hardware

Software and tech companies have been driving growth in the DACH region for years: according to the industry association **BitKom**, even the pandemic could not harm software sales in 2021: the industry continued to grow unabated in 2021.

In DACH there are 11,000 medium-sized Internet and software companies, hidden champions, that generate between 5 - 30 million euros in sales a year. These companies have existed for several years and can demonstrate a certain stability in the market. They have an established client base and an excellent track record. Investments in companies with such profiles are interesting for private equity funds, as they offer great potential for returns and the risk is lower than, for example, investments made by venture capitalists.

FLEX Capital's portfolio companies include Nitrado, the global leader in multiplayer game hosting. ComX, a B2B sales enablement platform for companies with complex services and products, as well as the EVEX group, consisting of the DACH market leaders for software for hearing care professionals and opticians, and the OMS group, a software group for output management.

About FLEX Capital

FLEX Capital is a private equity fund that was founded by successful serial entrepreneurs and invests in profitable and growing German internet and software SMEs. FLEX Capital is backed by the six entrepreneurs Christoph Jost, Peter Waleczek, Andreas Etten, Jan Becker, Felix Haas and Dr. Robert Wuttke, who founded numerous companies themselves and made more than 140 tech investments. The FLEX portfolio currently includes 13 German SME pioneers across five company platforms. For more information, visit **www.flex.capital**.

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