



Press release

7 June 2022

3i invests in xSuite to accelerate international growth

3i Group plc (“3i”) today announces that it has agreed to invest in xSuite, a leading accounts payable process automation specialist focused on the SAP ecosystem. 3i will invest alongside the previous owners, funds advised by Pinova Capital GmbH (“PINOVA”) and the management team, who are reinvesting in the business as minority shareholders.

Headquartered in Ahrensburg / Hamburg, Germany, xSuite specialises in software applications for Accounts Payable Invoice Automation (“APIA”), which enable customers to digitalise, streamline and automate invoice processing, helping them to reduce costs, drive efficiencies, and improve quality. More than 230 employees at corporate offices in Germany, Denmark, the Netherlands, Singapore, Slovakia, Spain and the US develop additional workflows and integration capabilities specific to the SAP ecosystem, where the company serves many of the most complex, global organisations and has strong technical expertise.

xSuite has a growing customer base of more than 1,200 clients in over 60 countries with best-in-class retention. Customer satisfaction is high given the company’s industry-leading technological capabilities, strong service levels, and the value delivered with its automation capabilities. xSuite historically specialised in the DACH region, but has a growing presence in the US where it has won several blue-chip clients such as Dole, Liongate and Crocs and is scaling rapidly.

The APIA market is growing. Forecasts expect a CAGR of over 10%, driven by the digitisation of workflows and a focus on reducing labour costs. Growth is also driven by increasing invoice volumes, adoption of automation solutions, expansion in the use of these solutions and the transition to specialist applications such as those of xSuite.

3i specialises in helping mid-market businesses internationalise and tap into new markets: With its global network of experts, 3i will support xSuite to build on its emerging presence in the US market and scale its North American operations. Together with 3i, xSuite will also focus on accelerating the transition to more subscription software revenues. 3i will also be able to help the xSuite team accelerate growth by leveraging commercial best-practices that it has implemented across other recent portfolio companies.

Ulf von Haacke, Head of Germany, Private Equity, 3i said: “We believe there is significant potential to further internationalise and develop xSuite in partnership with its experienced management team and its motivated and highly skilled employees. Following the recent successful exit of Magnitude and the co-investment in insightsoftware, our investment in xSuite illustrates 3i’s strong focus on enterprise software as a key pillar of our Business and Technology Services investment strategy. We are the ideal partner for mid-sized software companies that want to reach the next level such as xSuite.”

Joern Pelzer, Partner, PINOVA said: “Over the last years we have developed xSuite into a leading provider of software applications for APIA. The investment of 3i will allow xSuite to execute the envisaged North American growth plan even faster and create a leading player also in the North American market. We are happy to accompany xSuite's further development together with 3i and the management team.”

Matthias Lemenkühler, CEO, xSuite said: “3i is a natural fit for us given their extensive experience of international growth strategies and their deep sector expertise. We are excited to be working with them to bring xSuite’s offering to a wider audience.”

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For further information, contact:

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About 3i Group

3i is a leading international investment manager focused on mid-market private equity and infrastructure. Its core investment markets are northern Europe and North America. For further information, please visit: www.3i.com

About xSuite

Headquartered in Ahrensburg / Hamburg, Germany, xSuite is a leading accounts payable process automation specialist focused on the SAP ecosystem. It specialises in software applications for Accounts Payable Invoice Automation (“APIA”), enabling customers to digitalise, streamline and automate invoice processing. xSuite has more than 1,200 clients in over 60 countries with 220,000 users processing over 60 million invoices per year. For further information, please visit: www.xsuite.com

About PINOVA

PINOVA Capital is an independent private equity firm investing in high-growth technology companies in German-speaking regions. PINOVA Capital focuses on “Mittelstand” companies with sales between €10 million and €75 million in the industrial technology and information technology sectors. For further information, please visit: www.pinovacapital.com

Regulatory information

This transaction involved a recommendation of 3i Investments plc, advised by 3i Germany.