

Bow River Capital Closes \$600+ Million Software Growth Equity Fund II, Surpassing \$500 Million Target



NEWS PROVIDED BY
Bow River Capital →
Mar 21, 2023, 08:00 ET

DENVER, March 21, 2023 /PRNewswire/ -- Bow River Capital, a Denver-based alternative asset manager, announced today the successful closing of Bow River Capital Software Growth Equity Fund II (SGE Fund II). SGE Fund II was significantly oversubscribed and closed above its \$500 million target with \$605 million of committed capital from a broad group of investors. The firm closed its first Software-as-a-Service ("SaaS") fund of \$160 million in 2019; SGE Fund II is the firm's largest fund to date. SGE Fund II will make majority-control investments of \$25 million to \$50 million as first institutional capital in boot-strapped, founder-led SaaS companies. Consistent with the mission and strategy of its predecessor fund, the SGE Investment team has developed a highly disciplined investment philosophy and a differentiated performance playbook optimized for velocity of capital.

The SGE team has built a portfolio of seven market-leading Software-as-a-Service ("SaaS") companies; most recently adding HRSoft in Fund II. This Human Capital Management platform is a market leader and purpose-built to handle complex compensation management and compliance, rewards, performance, and pay equity. The team has recently completed significant exits, including the majority recapitalization of AbsenceSoft with Norwest Venture Partners (NVP) and the majority recapitalization of Altvia with Marlin Equity.



Bow River Capital's John Raeder, SGE Managing Director and Head of Software Investments commented, "As global investors continue to carefully scrutinize their GP relationships and allocation to alternative asset classes, including Technology Buyout and Growth Equity, we are grateful for the trust and confidence our investors have placed in Bow River Capital's SGE team. We look forward to continuing to execute on our investment strategy." Raeder further added, "Even as global economies slow and valuations recalibrate, we believe there are opportunities in the SaaS sector given macrotrends in the innovation economy that span the explosion of data, digitized process automation, and AI-focused analytics."

Steve Joanis, SGE Managing Director said, "We believe that our strategy of focusing on mission-critical software companies will prove to be resilient through economic cycles, and further believe there are tremendous opportunities emerging across our thematic investment areas. We look forward to continuing our partnerships with extraordinary founder-led businesses that are poised for growth."

"We started Bow River Capital's SGE strategy with the mission of building an operationally focused SaaS investment platform that partners with technology founders in the Rodeo Region,™" said Bow River Capital's SGE founding partner and Director Maitlan Cramer. "Our success to date is a testament to the discipline and dedication of my fund management colleagues, and the perseverance of the founders and SGE power network working hard to scale market-leading businesses."

Perkins Coie LLP provided fund formation counsel. The firm did not engage a placement agent.

About Bow River Capital

Founded in 2003, Bow River Capital is a private alternative asset management company based in Denver, Colorado focused on investing in the lower middle market in three asset classes, including software growth equity, private equity and real estate. In addition to the three private fund platforms, the Bow River Capital Evergreen Fund (EVERX) provides institutional-quality private market access to a broader set of investors. Collectively, the Bow River Capital team has deployed capital into diverse industries, asset classes and across the capital structure.

Bow River Capital Evergreen Fund is distributed by Foreside Financial Services, LLC, which is not affiliated with Bow River Capital or its affiliates.



For more information on Bow River Capital, please visit www.BowRiverCapital.com

Media Contact:

Jane Ingalls, Bow River Capital

303-861-8466

SOURCE Bow River Capital