

# K1 invests over \$125 million to form largest independent expense management software company

Transaction combines industry leaders Certify, Nexonia, ExpenseWatch and Tallie, creating the largest competitor to SAP Concur in the expense management market.

K1 Investment Management is pleased to announce it has combined expense management software leaders Certify, Nexonia, ExpenseWatch and Tallie to create the largest independent company in the expense management software space.

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The combined business will better serve its more than 7,500 enterprise, mid-market and SMB customers with expanded offerings to reduce administrative overhead associated with employee time, travel and expenses. Near-term priorities include increased investment in product capabilities, expansion of geographic reach and growth of a team of subject matter experts. The combination of Certify, Nexonia, ExpenseWatch and Tallie creates the world's largest expense management software company behind Concur, which was acquired in 2015 by SAP.

The merger is majority backed by K1, an investment firm focused on enterprise software companies globally. K1 has invested over \$125 million of equity behind the combination, with additional capital available for further acquisitions.

“This is a unique opportunity to unite four complementary market leaders to advance the way that companies manage their travel, time and expenses” said Eric White, President of Nexonia and Tallie. “By integrating best-of-breed expense solutions and combining industry-leading expertise, Certify, Nexonia, ExpenseWatch and Tallie are incredibly well-positioned to bring a highly adaptive platform to the rapidly expanding expense management market.” IDC estimates the market for travel and expense management software will reach \$2.46 billion by 2020.

“This deal is all about bringing the best expense management products to the most users everywhere in the world,” says Robert Neveu, who founded Certify in 2008 and is the company's CEO. “We're now in a much stronger position to develop products and serve customers in the US, Canada and internationally. I would expect us to continue growing organically and through acquisition as we move to overtake Concur as the world's largest expense management software vendor.” Certify has been growing at a rate of 50% annually.

Notable customers of the combined entity include Marketo, 1-800-Flowers, FitBit, Survey Monkey, Shopify, Century 21, HootSuite, Little Caesars, and Scribd. The companies were recently named as High Performers in the G2 Crowd Grid for Expense Management based on their user satisfaction, ease of use and system reporting and analytics. Certify, in particular, received the highest rating of any vendor for overall customer satisfaction.

The combined company will continue focusing on the strong growth experienced by all four companies, and will maintain operations in Portland, ME; Toronto, ON; San Diego, San Francisco and Walnut Creek, CA; Austin, TX; and Montreal, QC. The combined company will continue to support all customers and product lines in order to provide its customer base with increased opportunities and benefits.

“We are thrilled to work with management to bring expanded functionality to the market as a result of this strategic combination,” says K1 Managing Partner, Hasan Askari. “Our commitment is to build the best-in-class travel, time and expense management software company and we intend to do that by continuing to invest in our brands, customers and people.”

### **About Certify**

Certify is a leading online travel and expense management solution for companies of all sizes. Organizations worldwide book travel and complete expense reports quickly, easily, and cost-effectively using Certify cloud and mobile applications. For more information about Certify, please visit [www.certify.com](http://www.certify.com).

### **About Nexonia**

Nexonia is a leading provider of leading web and mobile expense, time and other business financial management solutions. Nexonia's simple-to-use applications are fully integrated with ERPs, credit cards and other systems supporting a variety of businesses. Nexonia solutions are designed to streamline the reporting and approval process, improve human resource

management and enhance operational efficiency. For more information about Nexonia, please visit [www.nexonia.com](http://www.nexonia.com).

### **About ExpenseWatch**

ExpenseWatch automates manual, time consuming paper-based processes, for visibility and control over organizational spending, empowering customers to spend with confidence. Modules for expense reporting, purchasing and payable invoices resolve specific spending issues, or can be combined to provide a comprehensive spend management suite. For more information about ExpenseWatch, please visit [www.expensewatch.com](http://www.expensewatch.com).

### **About Tallie**

Tallie is the leading SaaS expense report software innovator and enabler of the complete cloud-based accounting ecosystem. In close collaboration with users, CPA practitioners, and industry-leading accounting, technology, and financial partners, it has developed expense report software for comprehensive data capture, intelligent transaction categorization, robust approval controls and seamless software integration. For more information about Tallie, please visit [www.tallie.com](http://www.tallie.com).

### **About K1 Investment Management**

K1 is an investment firm focusing on high-growth enterprise software companies globally. K1 seeks to help dynamic businesses achieve successful outcomes by identifying and executing organic and acquisition-based growth opportunities that position its companies as industry leaders. K1 typically invests alongside strong management teams that continue to guide their organizations on a day-to-day basis. K1's investments vary in the level of ownership in order to meet the needs of entrepreneurs and managers. For more information about K1, please visit [www.k1capital.com](http://www.k1capital.com).