



## **Arlington Capital Partners has sold Zemax, Global Leader in Optical and Illumination Design Software, to EQT**

EQT to support the continued growth of Zemax by leveraging EQT's global network, experience in scaling businesses and history of developing enterprise software leaders

Arlington Capital Partners ("Arlington Capital") and EQT Mid Market US GP B.V. ("EQT") today announced that EQT has acquired Zemax Software Holdings, LLC. ("Zemax" or the "Company"), a leading global provider of optical and illumination design software, from Arlington Capital. The Company will continue to be led by current CEO Mark Nicholson.

Founded in 1990, Zemax enables its customers to more efficiently and accurately design optical components through its physics-based optimization and design software. Zemax helps companies achieve a qualified design more efficiently by streamlining the workflow and communication between optical and mechanical engineers. Zemax Virtual Prototyping tools include OpticStudio®, the industry-leading optical design software, and LensMechanix®, a unique application that allows mechanical engineers to package optical systems in CAD software. Zemax allows its customers to improve optical performance, get to market faster and reduce both production and development costs. Zemax's software is used to develop a range of products including space telescopes, augmented reality glasses, LIDAR in autonomous vehicles, smartphone cameras and biomedical imaging devices. Zemax is headquartered in Kirkland, Washington with over 80 employees and operations in the US, Europe and Asia.

Michael Lustbader, a Managing Partner at Arlington Capital, said "We have been thrilled to partner with the Zemax management team over the last four years. The Company has done a tremendous job capitalizing on its market leadership with OpticStudio® to drive rapid organic growth across both new and existing geographies. During our ownership, Zemax has also developed and introduced complementary products such as LensMechanix® that further expand the user base and provide innovative solutions that better serve its customers. We are excited to watch Zemax's continued success under EQT's tenure."

Brendan Scollans, Partner at EQT Partners and Investment Advisor to EQT, commented, "Zemax aligns perfectly with EQT's focus of investing in market leaders in attractive and growing niche markets globally. EQT's software expertise and international presence will help Zemax further expand its product offering, both organically and through acquisitions, to best serve its global customer base. We are excited to partner with the talented Zemax management team to support the next phase of growth."

"Our partnership with Arlington has been a tremendous success. During their ownership, Zemax made substantial investments and demonstrated consistent strong organic growth," said Mark Nicholson, CEO of Zemax. "As we enter our next stage of growth, we are pleased to partner with EQT as we continue to expand our product offerings and deepen our customer focus. EQT's relationships, global presence and investment philosophy position Zemax to enter into a new phase of investment and growth that stays

true to our vision to offer software based on a strong physics architecture, uphold a culture of excellence and innovation and drive customer success.”

Spurrier Capital Partners served as financial advisor to Zemax. Sheppard Mullin served as legal advisor to Zemax. Kirkland & Ellis LLP served as legal advisor to EQT. Shea & Company served as financial advisor to EQT. Ares Capital Corporation and Carlyle Global Credit provided debt financing in support of the transaction.

Financial terms were not disclosed.

### **About Arlington Capital Partners**

Arlington Capital Partners is a Washington, D.C.-area private equity firm that has managed \$2.2 billion of committed capital via four investment funds. Arlington focuses on middle market investment opportunities in growth industries, including: government services and technology, aerospace/defense, healthcare, and business services and software. The firm’s professionals and network have a unique combination of operating and private equity experience that enable Arlington to be a value-added investor. Arlington invests in companies in partnership with high quality management teams that are motivated to establish and/or advance their company’s position as leading competitors in their field.

For more information: [www.arlingtoncap.com](http://www.arlingtoncap.com)

### **About EQT**

EQT is a leading investment firm with approximately EUR 50 billion in raised capital across 27 funds. EQT funds have portfolio companies in Europe, Asia and the US with total sales of more than EUR 19 billion and approximately 110,000 employees. EQT works with portfolio companies to achieve sustainable growth, operational excellence and market leadership.

For more information [www.eqtpartners.com](http://www.eqtpartners.com)

### **About Zemax**

Zemax’s industry-leading optical product design software, OpticStudio and LensMechanix, helps optical and mechanical engineering teams turn their ideas into reality through Zemax Virtual Prototyping, which reduces design iterations and repeated prototypes, speeding time to market and reducing development costs. Zemax is headquartered in the Seattle, Washington area and has offices in the UK, Japan, Taiwan, and China.

For more information: [www.zemax.com](http://www.zemax.com)

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