



CASE STUDY: PROJECT NEON

STS ACHIEVES A STRONG OUTCOME GIVEN BROADER MARKET HEADWINDS AND MACRO UNCERTAINTY

STS successfully closed a compelling deal, at a valuation just shy of the market average, achieving approximately a 5.7x multiple on LTM EBITDA. This was a strong outcome given broader market headwinds, macro uncertainty, and a momentary drop in the company's financials.

5.7x
EBITDA

ABOUT THE CLIENT

The Client was a leader in custom software development, providing full-stack agile solutions from product discovery through to launch. Their elite team specialized in digital transformation and data engineering, with a proven track record of delivering scalable internal tools for some of the world's leading technology companies. Having experience in exiting companies before, the Client sought a strategic buyer that could help scale the company's platform, provide growth capital, and preserve the team's unique engineering culture.

STS APPROACH

STS was approached to source a strategic acquirer where they could remain involved post-transaction to help guide the next chapter of growth. They led a tailored go-to-market strategy that centered on identifying strategic acquirers aligned with the Client's growth vision, values, and culture. Through strategic mind mapping and deep buyer analysis, the team uncovered and engaged a targeted pool of buyers and crafted a compelling narrative that showcased the long-term value and scalability of the business. After a highly curated process, a global strategic buyer emerged as the ideal partner.

THE END RESULT

STS supported negotiations to structure an outcome that met the Client's goals, including significant upfront cash, earnouts tied to future performance, and meaningful rollover equity for continued participation in future upside.

The final deal structure included a significant upfront cash component, rollover equity, and performance-based earnouts tied to future growth milestones. The buyer saw a compelling opportunity to expand their presence in another market, enhance their digital capabilities, and gain access to a high-performing engineering team.

For more information on how STS Capital Partners can assist in selling your business and make an Extraordinary Exit™ possible, please contact ExpertGuides@stscapital.com or visit stscapital.com.