

Unlocking \$7.4M in Free Cash Flow at Kappa Corp.



Client Snapshot

Kappa Corp. is a PE-backed B2B SaaS company specializing in enterprise data infrastructure, operating across seven subsidiaries and serving over 27,000 active customers. As the company prepares for a 2026 exit, improving cash flow and financial predictability became a top priority.

Company Stats		Level of Effort		Results
Industry	Enterprise data infrastructure	Installation	15min	\$7.4M in free cashflow
Revenue	\$000M - \$000M	Kappa Corp's Time	3hrs	
Size	27,000+ Customers	In-App Analysis	15hrs	

Challenge

Despite a recent ERP transition and improvements in financial reporting, Kappa continued to experience elongated cash conversion cycles. Days Sales Outstanding (DSO) remained high, and leadership lacked clear insight into where the breakdowns were occurring across subsidiaries and customer segments.

The finance team suspected inefficiencies in the invoicing process, but didn't have the tools or capacity to trace the problem across systems or regions.

The Ask

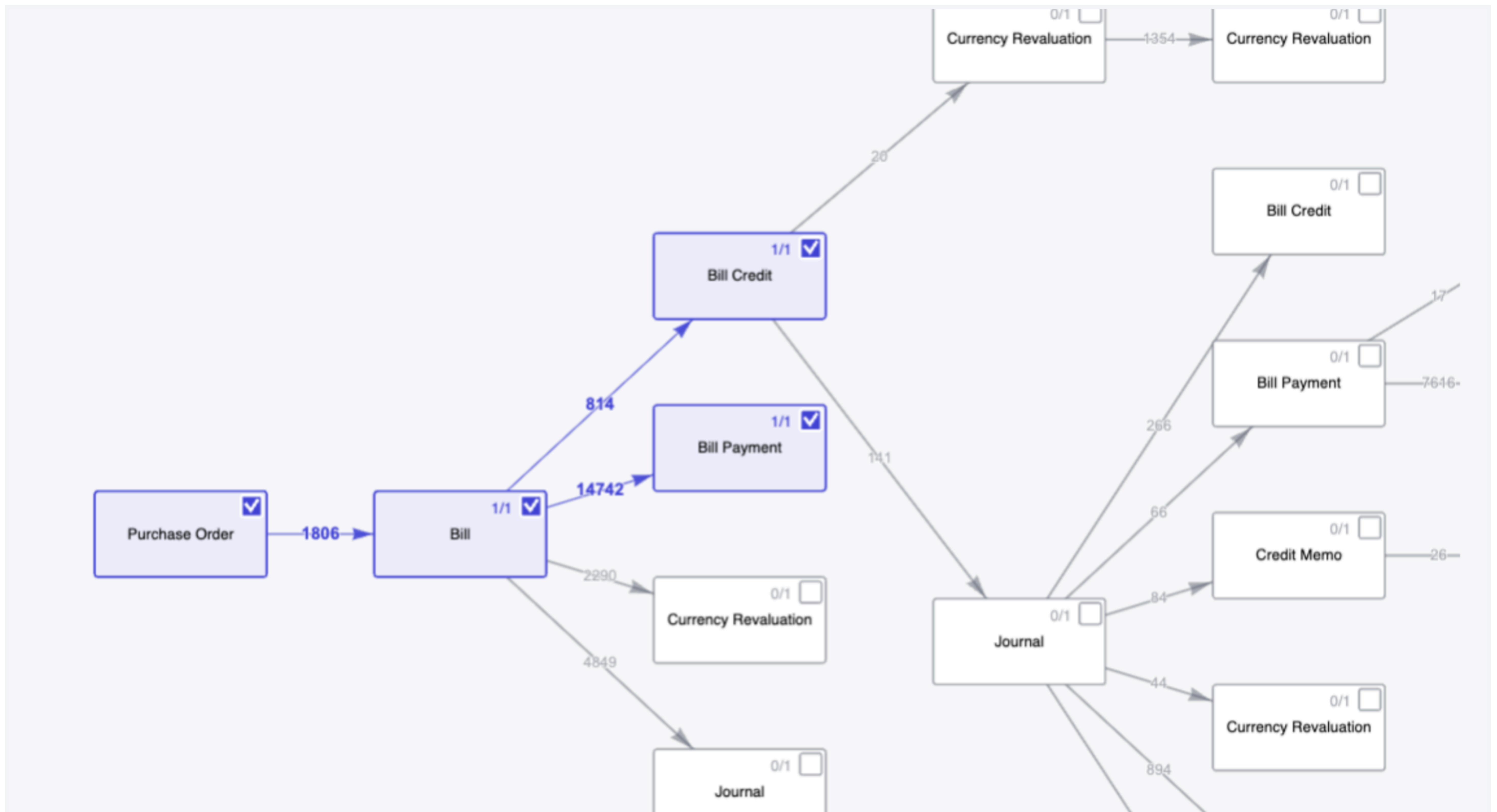
Kappa's CFO, with the help of the operating partner, engaged Chassi to:

- ✓ Identify opportunities to accelerate cash conversion
- ✓ Surface specific delays in the order-to-cash cycle
- ✓ Provide actionable insights with no lift from internal teams

Chassi's Approach

Chassi connected directly to Kappa's NetSuite and Salesforce environments, completing implementation in under an hour. Within two weeks, Chassi delivered a working capital assessment that required less than five hours of time from Kappa's internal teams.

Chassi modeled the entire Order-to-Cash and Procure-to-Pay processes across all subsidiaries, and segmented the data multiple ways, including across geographies, terms, and key accounts.

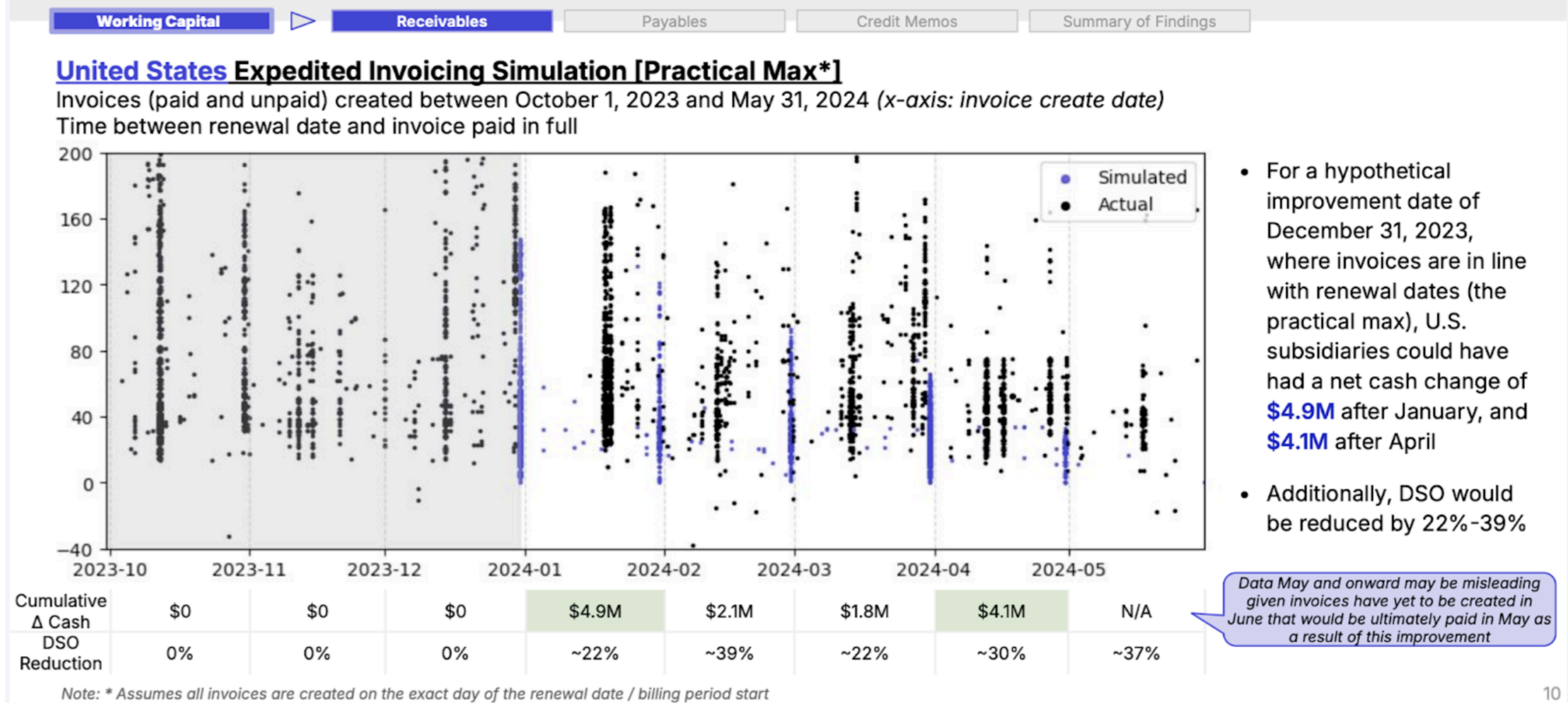


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Key Findings

- ✓ **A grand total of \$7.4M in free cash flow opportunity** was identified across multiple working capital improvements.
- ✓ **Delayed invoicing** was the primary driver, especially in the U.S., where billing lags resulted in ~\$4.9M of trapped cash; freeing up this cash would also reduce DSO by over 20% in the first month.
- ✓ In other countries, billing lags resulted in ~\$2.3M of trapped cash.
- ✓ **By pushing back payments of Net 30 payables, Kappa would unlock ~\$210K in free cash flow.**
- ✓ **Credit memo usage** was inconsistent and not always clear (e.g., no associated reason code), creating opacity in real cash realization.

For a hypothetical improvement date of Dec. 31, 2023, United States subsidiaries could have realized an additional \$4.9M cash on hand after January, and \$4.1M after April, if invoices were created at the exact date of the start of the billing period



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Why It Mattered

- ✓ Chassi delivered **enterprise-wide visibility into working capital** performance, with zero manual data stitching
- ✓ Finance and operational teams could **see exactly where and why cash was getting stuck or going out the door before it had to.**
- ✓ The insights were delivered **in weeks, not months**, and formed the basis for a focused cash acceleration initiative ahead of the exit.

Outcome

Kappa Corp. left the engagement with a clear roadmap to unlock **\$7.4M in free cash flow, with no need for a full-scale transformation or new tooling.**

Traditional consulting project approaches would have taken months and cost significantly more—often with limited visibility and unclear ROI. Chassi delivered sharper insight, faster execution, and measurable outcomes in a fraction of the time and cost.