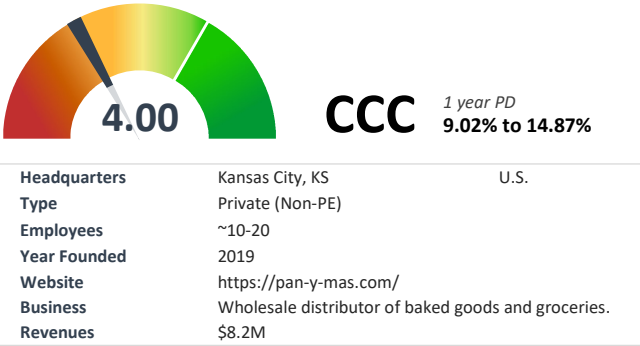


Pan Y Mas, Inc.



Company Overview

- Company Overview:** Pan Y Mas, Inc. is a Kansas City-based food distributor. The company serves a niche market, primarily supplying Hispanic grocery stores.
- Product:** The product range includes traditional Mexican baked goods refrigerated as well as canned foods, and beverages.
- Customers:** The customer base consists of Hispanic grocery stores, restaurants, and wholesalers looking for authentic Mexican food products.
- Ownership:** Privately owned, the company operates with a small team, emphasizing its agility and focus within its niche market.
- Debt Structure:** N/A - the income statements provided don't show any interest expenses or amortization being paid for, suggesting that the entity is debt free.
- Other (pros/cons):** Pan Y Mas, Inc. maintains a strong, rather surreal 78.6% EBITDA margin, far surpassing peers (typically 3-5%) in the industry. We assume a strong dependence on niche products, key suppliers, and core customers, which is a risks if any were lost. The company's debt-free status is favorable, but limited availability of financials (only unaudited Income Statements per FY-23, and T9-24) as well as publicly available information and supply chain vulnerabilities (e.g. "Iberia") increase credit risk concerns mainly based on uncertainty. The entity is comparatively small, which increases the empirical near-term default risk.

Financial Snapshot

	Dec-21	Dec-22	Dec-23	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	-	-	8,222	
Gross Profit	-	-	7,368	
Adjusted EBITDA	-	-	6,461	
Gross Profit Margin	#DIV/0!	#DIV/0!	89.6%	#DIV/0!
EBITDA Margin	#DIV/0!	#DIV/0!	78.6%	#DIV/0!
Net Income	-	-	6,461	

		Weight	Rating Range	
		20%	7.5	to 9.0

Financial Ratio Benchmarking

# of Benchmarks:	5	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks	5
		\$24M	\$8M		Company Financials Date	Dec-23
Liquidity	Revenue				Industry Benchmarks - Primary: Food Distributors	
	Current Ratio	1.04				
Leverage	Quick Ratio	0.86				
	Net Debt / EBITDA	0.19	-	<div></div> 63%		
Profitability	Debt to Assets	35.9%				
	EBITDA Margin	3.8%	78.6%	<div></div> 100%		
	ROCE %	5.0%				

Business Risk

Industry Group Risk Profile		Business And Consumer Services		20%	5.5	to	7.5
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description			
Cyclicality		Intermediate risk	<div></div>	Primary revenues from offering solutions for noncore activities or providing varied business and consumer services, including: services for direct consumer needs; product distribution services; facilities services for maintaining other businesses' premises or staffing; and general and professional services for complex business support.			
Competitive Risk		Intermediate risk	<div></div>				
Global Industry		Intermediate risk	<div></div>				
Market Segment Outlook		Above Average	<div></div>				
Competitive Position Profile		Distribution		50%	4.0	to	5.5
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline			
Cycle-Tested		>= 2020	<div></div>	No through-the-cycle operating history.			
Geographic Coverage		Satisfactory	<div></div>	Distribution network covers several key areas regionally.			
Supplier Relationships		Satisfactory	<div></div>	Relationships with suppliers are average and non-exclusive.			
Product Range		Satisfactory	<div></div>	Product range is average, comparable to industry peers.			
Customer Relationships		Above Average	<div></div>	Good relationships with both large and small retailers.			
Delivery Speed		Satisfactory	<div></div>	Average delivery times, comparable to industry peers.			
Inventory Management		Satisfactory	<div></div>	Average inventory management, occasional stockouts or overstock.			
Value-Added Services		Weak	<div></div>	Provides little to no value-added services.			
Technology Use		Weak	<div></div>	Heavy reliance on manual processes, limited use of technology.			
Management, Governance, Sponsorship				30%	3.5	to	5.0

Anchor Modifiers

Modifiers			
Revenue Segment	Normalization	<div></div>	\$5-10M
Other Modifier	Risk Flag	<div></div>	No notes to financials, very limited publicly available information paired with some potential inconsistencies (e.g. T9 financials in 2024, and T12 ir

Rating Range (Rounded)

3.5	to	4.5
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