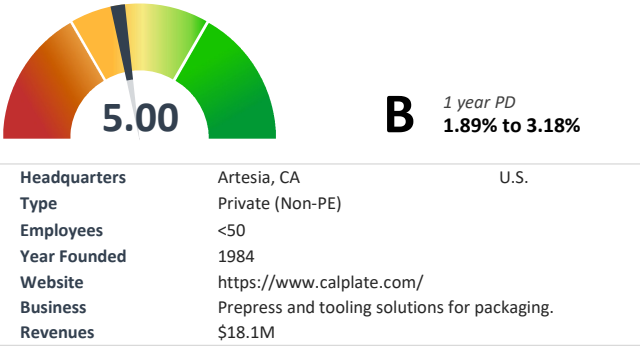


# Cal Plate Acquisition Corporation (d/b/a Cal Plate, Inc.)



## Company Overview

- Company Overview:** Founded in 1984, Cal Plate specializes in prepress and tooling solutions, serving primarily the packaging industry.
- Product:** Offers flexographic printing plates for high-precision printing and durable rotary cutting dies, integral to packaging production workflows.
- Customers:** Services a diversified base of packaging manufacturers and converters, with a focus on industries like food, beverage, and pharmaceuticals.
- Ownership:** Privately held, presumably by Richard Borelli (President) and/or Raymond V. O'Brien III.
- Debt Structure:** Carries a note over \$363k due 1/26, \$588k in Operating Lease Liabilities, and a \$500k secured R/C-line (not utilized) with the latest maturity date being 10/24 (likely was renewed). Taking into consideration Cash, they are debt-free.
- Other (pros/cons):** Strong liquidity, and generally debt-free status any near-term financial risks substantially. On the other hand, they are operating at a Low EBITDA Margin (3.5% vs. peer 10.9%), raising concerns about operational profitability. The company is also comparatively small, which increases it's empirical default risk. The lack of audited financials beyond FY-23 is a general concern, as it prevents any trend, and more recent performance analysis. Given their private status we are also missing quite some insights about any concentration risks, succession planning, strategy, etc.

## Financial Snapshot

	Dec-21	Dec-22	Dec-23	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	-	-	18,093	-
Gross Profit	-	-	8,552	-
Adjusted EBITDA	-	-	633	-
Gross Profit Margin	-	-	47.3%	-
EBITDA Margin	-	-	3.5%	-
Net income	-	-	132	-

				Weight	Rating Range		
				50%	5.5	to	6.5

# of Benchmarks:		18	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks		18
			\$29M	\$18M		Company Financials Date		Dec-23
Liquidity	Revenue					Industry Benchmarks - Primary: Commercial Printing		
	Current Ratio	1.68	2.29	<div></div>	66%			
Leverage	Quick Ratio	1.22	2.09	<div></div>	74%			
	Net Debt / EBITDA	1.22	(2.71)					
Profitability	Debt to Assets	26.7%	5.2%	<div></div>	85%			
	EBITDA Margin	10.9%	3.5%	<div></div>	10%			
	ROCE %	19.5%	2.8%	<div></div>	10%			

## Business Risk

Industry Group Risk Profile				Media And Entertainment				20%	4.5	to	6.5
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description							
Cyclicality		Intermediate risk	<div></div>	Entities that derive a majority of their revenues from operating as ad agencies and marketing services companies, ad-supported online content platforms, broadcast networks, cable TV and over-the-top (OTT) networks, data publishers, e-commerce service providers, educational publishers, film and TV programming production companies, local TV stations, motion picture exhibitors, music publishing and recording companies, newspapers/magazines, outdoor advertising companies, printing companies, and radio stations.							
Competitive Risk		Intermediate risk	<div></div>								
Global Industry		Intermediate risk	<div></div>								
Market Segment Outlook		Stable	<div></div>								
Competitive Position Profile				Manufacturing				50%	4.5	to	6.0
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline							
Cycle-Tested		< 2000	<div></div>	Navigated multiple economic down-cycles.							
Competitive Advantages		Satisfactory	<div></div>	Average position in a market with several competitors; moderate threat of new entry and substitution.							
Supplier Diversity		Satisfactory	<div></div>	Limited diversity of suppliers, reliant on a few key ones.							
Customer Concentration		Satisfactory	<div></div>	Top 5 customers 26-40% of revenue							
Manufacturing Redundancy		Weak	<div></div>	Single manufacturing site in area exposed to natural disasters or with meaningful risks of operational disruptions.							
Demand Elasticity		Satisfactory	<div></div>	Products have moderately elastic demand (some substitutes available).							
Employee Expertise		Satisfactory	<div></div>								
Technological Integration		Satisfactory	<div></div>								
Industry Positioning		Satisfactory	<div></div>								
Management, Governance, Sponsorship								30%	5.0	to	6.5

## Anchor Modifiers

Modifiers			
Revenue Segment	Normalization	<div></div>	\$10-25M
Financial Flexibility	Adjustment	<div></div>	Very High
Fixed Cost Coverage Risk	Risk Flag	<div></div>	FCCR of 0.76x
Other Modifier	Risk Flag	<div></div>	We have FY-23 notes to financials. Balancing -0.5 FCCR-penalty as it's driven by near-term maturity of \$363k note vs a fully unutilized r/c-line

## Rating Range (Rounded)

4.5	to	5.5
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