


Piab USA, Inc. (Wholly-owned sub of Piab Group, HQ'd in Täby, Uppsala Lan, Sweden)



CCC

1 year PD
9.02% to 14.87%

Headquarters	Canton, MA	U.S.
Type	Private (PE)	
Employees	~130	
Year Founded	1981	
Website	https://www.piab.com/en-us	
Business	Develops vacuum and automation handling solutions.	
Revenues	\$55.7M	

Company Overview

- Company Overview:** In conjunction with Piab Group AG, the tenant is a leading provider of vacuum and automation technology solutions.
- Product:** The company offers products such as vacuum pumps, suction cups, robotic grippers, and vacuum conveyors, tailored to automated industrial processes.
- Customers:** Piab serves a diverse customer base across industries including packaging, food and beverage, pharmaceuticals, and automotive, providing highly specialized automation solutions.
- Ownership:** Piab USA, Inc. is a wholly-owned subsidiary of Piab Group AB, a Swedish-based global leader in industrial automation solutions.
- Debt Structure:** N/A - no details provided.
- Other (pros/cons):** Piab USA, Inc.'s is operating at a comparatively high leverage (Net Debt/EBITDA) of 5.96 and weak liquidity (current ratio of 0.62) jointly posing a significant short-term financial risk. Their profitability is fairly low with an EBITDA margin of 7.3% vs. peer median of 9.9%, likely limiting cash flow needed for growth and debt management. Piab USA benefits from being part of a global organization, allowing the company to leverage resources and expertise from its parent company, Piab Group AB. No information about intercompany relations/loans or an R/C-line in support of liquidity were provided for this review. This assessment is focusing solely on the US entity in isolation.

Financial Snapshot

	Dec-21	Dec-22	Dec-23	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	-	-	55,699	-
Gross Profit	-	-	19,599	-
Adjusted EBITDA	-	-	4,089	-
Gross Profit Margin	-	-	35.2%	-
EBITDA Margin	-	-	7.3%	-
Net Income	-	-	2,048	-

				Weight	Rating Range		
				25%	2.5	to	3.5

# of Benchmarks:		35	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks		35
			\$57M	\$56M		Company Financials Date		Dec-23
Liquidity	Revenue					Industry Benchmarks - Primary: Industrial Machinery and Supplies and Components		
	Current Ratio	1.91	0.62	<div></div>	4%			
Leverage	Quick Ratio	1.16	0.36	<div></div>	5%			
	Net Debt / EBITDA	1.60	5.96	<div></div>	22%			
	Debt to Assets	30.0%	40.8%	<div></div>	34%			
Profitability	EBITDA Margin	9.9%	7.3%	<div></div>	30%			
	ROCE %	15.9%	11.9%	<div></div>	40%			

Business Risk

Industry Group Risk Profile			Capital Goods	15%	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 manufacturing and/or servicing industrial equipment. This includes manufacturers of heavy and light industrial equipment, machinery, industrial components, and systems, as well as providers of related services, such as construction equipment rental companies or industrial distributors.			
Competitive Risk		Intermediate risk	<div></div>				
Global Industry		Intermediate risk	<div></div>				
Market Segment Outlook		Stable	<div></div>				
Competitive Position Profile			Capital Goods	35%	5.5	to	7.5
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline			
Cycle-Tested		< 2000	<div></div>	Navigated multiple economic down-cycles.			
Product & Market Diversity		Strong	<div></div>	Highly diversified offerings across a wide range of attractive markets.			
Geographic Balance		Satisfactory	<div></div>	Some geographic diversification but with concentration risks in specific regions.			
Customer & Supplier Concentration		Satisfactory	<div></div>	Noticeable concentration with certain customers or suppliers, posing risks.			
Product and Service Differentiation		Above Average	<div></div>	High product differentiation with solid brand recognition and pricing power.			
Customer Leverage & Retention		Above Average	<div></div>	Good leverage with customers; evident long-term relationships and decent retention.			
Supplier Leverage		Weak	<div></div>	Weak leverage; often at a disadvantage in supplier negotiations.			
Project Execution		Above Average	<div></div>	Strong track record with minor issues occasionally.			
Management, Governance, Sponsorship				50%	3.5	to	5.0

Anchor Modifiers

Modifiers			
Revenue Segment	Normalization	<div></div>	\$50-100M
Fixed Cost Coverage Risk	Risk Flag	<div></div>	FCCR of 0.14x
Other Modifier	Risk Flag	<div></div>	No Notes to Financials

Rating Range (Rounded)

3.5	to	4.5
-----	----	-----