

IC Draft Note – Echo Foods Co.

Overview

Echo Foods Co. operates in Consumer Staples. The sponsor is evaluating a new Senior Unsecured Notes transaction, with indicative sizing of around \$600m USD. Proceeds are expected to refinance near-term maturities and provide capacity for growth initiatives. Early pricing talk centers around 6.25% with maturity out to 2033, which would extend the company's debt profile significantly.

Financials

On the financial side, management disclosed LTM EBITDA of approximately \$300m. Leverage is currently 4.5x, which is somewhat elevated relative to peers in the space. Topline revenue grew 8% YoY, reflecting underlying demand trends, though margin pressures remain a factor. Liquidity is described as adequate, with modest free cash flow after capex.

Risks & Considerations

The main risks revolve around Input cost volatility; private-label competition. In addition, there is sensitivity to macro conditions, and a potential need for sponsor support should end markets weaken. That said, management is highlighting customer diversification efforts and a commitment to de-leveraging.

Comments

This note is a draft prepared for IC discussion. Figures are preliminary and subject to confirmation.