

ACME Corporation — Credit Review (FY2025)

Prepared: 2026-02-09

Executive Summary

This report summarizes financial performance and covenant compliance for FY2025. The **interest coverage ratio is 2.6x**, the **DSCR is 1.32x**, and the **net leverage is 3.2x**. Performance improved modestly year-over-year, aided by stable EBITDA and lower interest expense.

Metric	FY2024	FY2025
Interest Coverage (x)	2.4	2.6
DSCR (x)	1.28	1.32
Net Leverage (x)	3.4	3.2

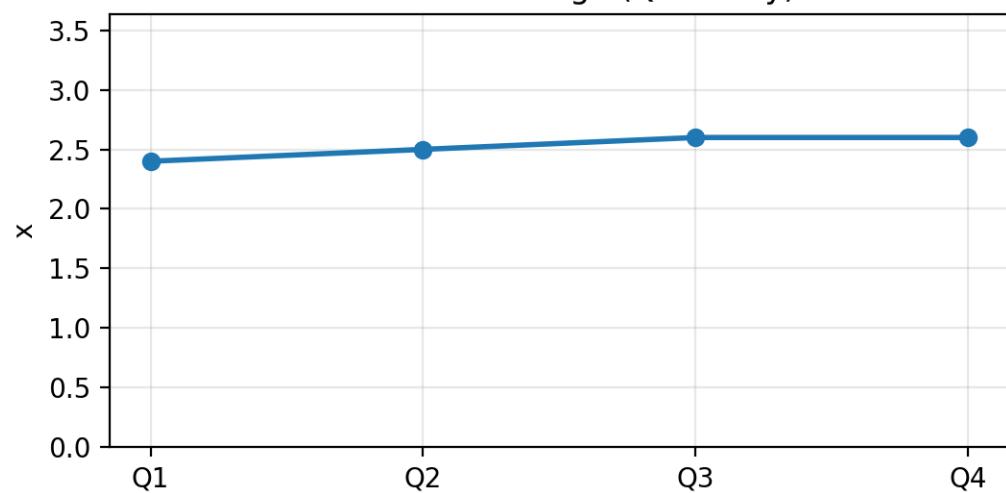
Covenant Compliance

Covenant	Threshold	Reported	Status
Minimum Interest Coverage	2.0x	2.6x	compliant
Minimum DSCR	1.25x	1.32x	compliant
Maximum Net Leverage	3.5x	3.2x	compliant

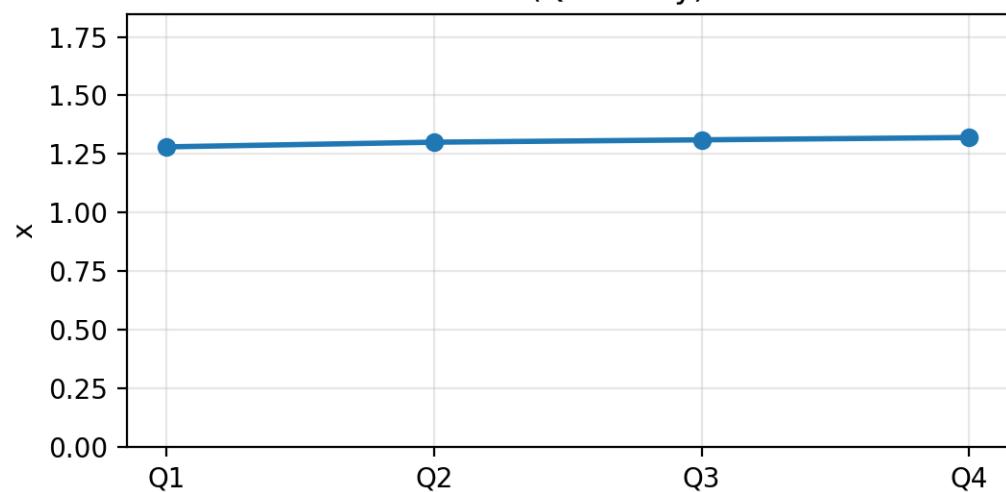
- Minimum Interest Coverage: threshold 2.0x; reported 2.6x — **compliant**.
- Minimum DSCR: threshold 1.25x; reported 1.32x — **compliant**.
- Maximum Net Leverage: threshold 3.5x; reported 3.2x — **compliant**.

Quarterly Trends

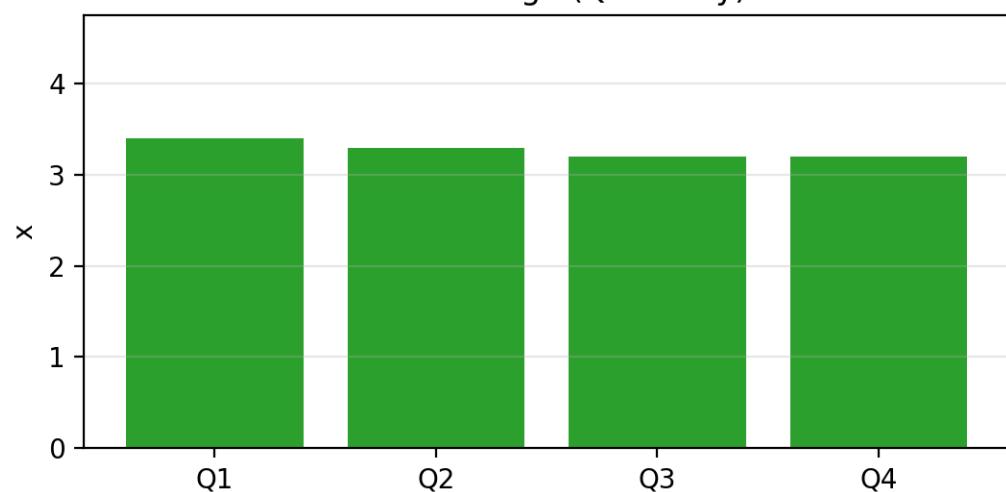
Interest Coverage (Quarterly)



DSCR (Quarterly)



Net Leverage (Quarterly)



Management Discussion

Operating trends indicate improving resilience. Coverage levels (interest coverage 2.6x; DSCR 1.32x) exceed policy thresholds. Net leverage of 3.2x remains within the 3.5x covenant and is projected to decline toward 3.0x over the next two quarters.