

WHIPSTITCH CAPITAL SERVES AS EXCLUSIVE FINANCIAL ADVISOR TO KEYSTONE NATURAL HOLDINGS IN SALE TO HOUSE FOODS GROUP

FOR IMMEDIATE RELEASE

September 16, 2022, Framingham, MA. Keystone Capital has signed a definitive agreement for House Foods Holding USA (“House Foods”) to acquire 100% of Keystone Natural Holdings, LLC (“KNH”), a leading manufacturer of tofu and plant-based foods (PBF) in North America. The proposed transaction is expected to close by the end of September, subject to the satisfaction of customary closing conditions. Whipstitch Capital served as the exclusive financial advisor to KNH in the transaction.

Through this acquisition, House Foods will expand its portfolio of value-added tofu and plant-based food products and accelerate its US market expansion plans. The combined company will have eight manufacturing facilities across North America.

Keystone Capital established the KNH platform by acquiring Nature’s Soy in 2016, a regional plant-based food manufacturer focused on the ethnic channel. Through three strategic add-on acquisitions, KNH significantly expanded its product offering and channel reach. In 2019, KNH invested in a new manufacturing facility in Folcroft, Pennsylvania to capitalize on organic growth opportunities. The sale of KNH represents another successful outcome for Keystone Capital within its Food & Consumer investment efforts.

“Keystone Natural Holdings did an incredible job of understanding and taking advantage of two large, long-term consumer trends: the growth in plant-based foods and world-inspired cuisines,” said Nick McCoy, Managing Director of Whipstitch Capital. “Keystone’s R&D capabilities and innovative product development capabilities position the company for success as consumers food preferences continue to shift towards more plant-based, ethnically diverse offerings.”

“We thoroughly enjoyed working with the Whipstitch team,” said Chaoran Jin, Managing Director of Keystone Capital. “Their expertise on the CPG market and experience dealing with international buyers added great value in the transaction.”

“We are proud of the work we have done at KNH,” added Ms. Jin. “During our partnership, we invested heavily in expanding KNH’s brand presence, manufacturing capacity, product development capabilities, and in growing the leadership team. These investments helped us build out a full suite of healthy, innovative plant-based food products for grocery, club, and food service customers. We are extremely appreciative of the hard work, dedication, and commitment from the KNH management team in building a market leading business. We wish them the best for their new chapter with House Foods.”

Kenny Sung, Chief Executive Officer of KNH, who will continue to lead KNH, added “Keystone Capital has been a great partner to work with, helping us successfully expand into additional strategic segments, which has positioned us to better serve our retail and food service customers in the ethnic and mainstream channel. With Keystone Capital’s help, we have integrated three add-on acquisitions, which has broadened our core market and accelerated our growth. We look forward to working with House Foods to continue our growth trajectory.”



ABOUT KEYSTONE NATURAL HOLDINGS

Keystone Natural Holdings is a leading plant-based, better-for-you food company with operations in the United States and Canada. The company's authentic and health-conscious products from storied brands, such as Nature's Soy®, Franklin Farms™, and Superior Natural™, are proudly sold through mainstream and ethnic channels via retail, mass market, natural, specialty, and food service outlets. The company continues to actively pursue strategic acquisitions to further expand its portfolio of innovative products and better serve consumers seeking alternative proteins for all meal occasions.

ABOUT HOUSE FOODS GROUP

House Foods Group Inc. is a Japanese foodservice company headquartered in Tokyo and Osaka. House Foods was founded in 1913 as an herbal medicines and pharmaceuticals company, and over its 109-year history has grown into one of the largest Japanese suppliers of curries, spices, and other foodservice products, with over \$2.3 billion in global revenue and over 6,100 employees. House Foods' business in the United States ("House Foods America", a subsidiary of House Foods Holding USA Inc.) is a leading supplier of water-packed tofu and related tofu products with over 100 million units sold annually across North America and Europe. House Foods America was established in 1983 and currently operates two manufacturing facilities in the United States with over 340 total employees.

ABOUT WHIPSTITCH CAPITAL

Whipstitch Capital is the largest independent private investment bank in the U.S. solely focused on the better-for-you and emerging brand consumer sectors, specializing in sell-side, buy-side M&A and private placements. Whipstitch understands that every situation, every company and product is unique. We listen. We focus. We provide honesty and transparency. We make deals happen. We create the 'whipstitch' of the deal. Get ready to Deal Different™. For more information click [here](#).