

The Honest Kitchen

Monarch Pioneer in Human-Grade Pet Food, The Honest Kitchen, Raises \$150 Million Investment in Latest Fundraise Round

Monarch's Growth Investment Will Further Fuel Manufacturing Capacity, Innovation and Marketing Efforts for the Company

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BUSINESS WIRE

The Honest Kitchen, the pioneer in human-grade pet food, announced today a \$150 million minority investment by Monarch Alternative Capital LP (“Monarch”), a leading investment firm with approximately \$9.5 billion of assets under management, through a new convertible preferred instrument. Monarch will partner with founder Lucy Postins, as well as existing equity investors Alliance Consumer Growth and White Road Investments to help drive the future growth of the company.

The investment will be used for continued focus on increased manufacturing capacity and expanded marketing and product innovations, as well as Environmental, Social & Governance (ESG) initiatives. In conjunction with its investment, Monarch appointed Patrick Fallon, Managing Principal at Monarch, and Bob Rubin, a long-standing pet food industry executive and founder of Breakaway Advisors LLC, to The Honest Kitchen Board of Directors.

The Honest Kitchen was the first pet food brand that could legally claim its food is human-grade. The company’s nutritionally complete and balanced recipes are made in human food production facilities and use the same high-quality ingredients, such as free-range chicken, pumpkin, and kale, with the same rigorous quality and safety standards, as human foods.

“The Honest Kitchen was founded with the mission to get as many pets as possible on the road to good health through good food,” said The Honest Kitchen’s Chief Executive Officer, Michael Greenwell. “We’re at a pivotal point for the business after many key wins last year, including our new manufacturing facility in Topeka and entering a completely new segment with our human-grade cat portfolio launch. We look forward to partnering with Monarch to push the brand further, expanding our human-grade production capabilities and reaching more pets.”

The pandemic’s spike in pet ownership led to overall growth in the category, especially for ultra-premium pet food. Data from the American Pet Products Association estimates \$109.6 billion was spent on pets in the US in 2021 with the trajectory trending upward. In fact, pre-pandemic (2019) estimations totaled \$95.7 billion, showing a nearly 15% increase post-pandemic. The Honest Kitchen offers the largest assortment of human-grade products for both dogs and cats across dry, wet, and dehydrated formats, marking ample opportunity for the brand.

“The Honest Kitchen’s exceptional and differentiated product offering is unrivaled in the market, ultimately setting the standards many consumers now expect from pet food,” said Patrick Fallon. “The company is uniquely positioned as the leader in human-grade pet food to capitalize on the expected continued growth in the pet segment. Monarch is excited to provide capital and industry expertise to help The Honest Kitchen achieve its distribution and product expansion objectives in the next stage of its strategic plan.”

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“When I founded The Honest Kitchen, I wanted to establish ‘human grade’ as the new standard for pet food,” said The Honest Kitchen's Founder & Chief Integrity Officer, Lucy Postins. “We’ve evolved to create an expansive line of products built on the human-grade promise, and we have some great opportunities ahead of us, through continued innovation and expanded production. Just as importantly, this investment will provide us with the resources to continue to advance our social and environmental initiatives and amplify commitments like our transition to GAP (Global Animal Partnership) chicken for several of our recipes.”

Since launching in 2002, the brand has hit many milestones, but 2021 marked one of the biggest recent years for the brand:

- The company opened a brand new 100,000-square-foot manufacturing facility in Topeka, Kan. to support the explosive growth of its Whole Food Clusters human-grade dry food, which launched in 2019.
- The company became a Public Benefit Corporation, to further its ESG initiatives, including a commitment to charitable giving, prioritizing environmentally sensitive packaging and initiatives, as well as employee growth and diversity commitments.
- Expansion into new categories helped the brand close out last year with the introduction of an extensive, cat food portfolio in dry, wet, dehydrated, treats and hydration boosters.

With over 170 offerings available, pet owners can shop via Amazon and Chewy, as well as over 6,000 retail locations, including independent pet supply stores and Petco, Pet Supplies Plus, Sprouts and select Whole Foods.

Goldman Sachs & Co. LLC served as exclusive financial advisor to The Honest Kitchen. Cowan, DeBaets, Abrahams & Sheppard LLP served as legal advisor to The Honest Kitchen. Davis Polk served as legal advisor to Monarch Alternative Capital LP.

About

Monarch Alternative Capital LP

Monarch Alternative Capital LP is a global investment firm founded in 2002 with approximately \$9.5 billion in assets under management. Monarch focuses primarily on opportunistic situations across corporate debt, real estate, capital solutions, and other market segments. Monarch draws on the skills and experience of its employees across its offices in New York and London. For more information, please visit www.monarchlp.com.

The Honest Kitchen

About The Honest Kitchen

The Honest Kitchen was founded by Lucy Postins in 2002 in San Diego, CA with a mission to help as many pets as possible get on the road to good health, through good food. They produce a full line of Human Grade complete & balanced foods for pets including dry, dehydrated, and wet foods; as well as treats; toppers; hydration boosters; and a best-selling digestive supplement. The Honest Kitchen was the first-ever Human Grade pet food, meaning the finished product meets human food production standards (unlike conventional pet food which is Feed Grade). Each Honest Kitchen product is made with uncompromising quality & safety standards by a company of pet lovers. For more information, please visit www.thehonestkitchen.com.