

CONVERGENT FINANCE LLP

PRESS RELEASE

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Convergent leads investment of USD 22 million in Hindustan Foods, India's leading FMCG contract manufacturer

Convergent Finance LLP ('Convergent') joins hands with Hindustan Foods Limited ('Hindustan Foods'), India's foremost contract manufacturer for the FMCG industry, by leading an investment aggregating INR 1,540 million for a significant minority stake of between 20% and 26% (on a fully converted basis). Customary closing conditions, including approval of shareholders will apply.

Hindustan Foods manufactures a range of products with expertise in food and non-food, extending to cosmetics, personal care and home care products. With factories across six locations, Hindustan Foods offers reliable, pan-India contract manufacturing services to top FMCG customers who are looking to minimize cost while maximizing product quality in the post-GST environment. The Company was founded in 1988, went public in 1989 and has been under the current management since 2013.

Sameer Kothari, MD of Hindustan Foods, welcomed this investment by saying, "We are most excited to have Convergent as our partner. The Convergent team has deep expertise in adding value through M&A and notably bolt-on acquisitions, which is the need of the hour in the contract manufacturing sector. We will also benefit greatly by their global network of relationships, strategic insights and operational expertise. We will use the proceeds of the investment to expand capacities to serve customers, thus creating value for all stakeholders."

Sarvjit Singh Bedi, Partner of Convergent commented, "We have been very impressed with the Company's performance under Sameer's leadership. Hindustan Foods is very well placed to continue leveraging India's consumption story".

"This is our first investment after founding Convergent and we are delighted to partner with Hindustan Foods. We have a track record of working with great companies to help transform them into global leaders. We view Hindustan Foods as an excellent platform and look forward to working with them to expand their business both organically and inorganically.", said Harsha Raghavan, Managing Partner of Convergent.

About Hindustan Foods

Hindustan Foods was established in 1988, with the objective of manufacturing nutritional food products. In 2013, the current promoters bought a controlling stake in Hindustan Foods and since then the company has diversified across various FMCG categories with manufacturing competencies in food and non-food, extending to cosmetics, personal care and home care products. It intends to continue leveraging the India's consumption story through organic and inorganic expansion.

About Convergent Finance LLP

Convergent Finance LLP is an investment partnership at the forefront of bringing together Ideas, Capital and passionate Entrepreneurs. The Convergent investment process involves identifying proprietary platform and bolt-on opportunities, speed of execution and a relentless focus on performance improvement. The Convergent value investing approach believes in paying fair and reasonable valuations through bilaterally negotiated transactions.