

Q4: Quarterly Industry Update

AS OF December 31, 2023



Furniture Retail Industry Summary

COGENT VALUATION identified **Furniture Retail** publicly traded companies, IPOs, and recent M&A transactions within the Furniture Retail industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2022, the median 52-week share price return of the Furniture Retail industry decreased from 12.1% to 7.1%, and the median YTD return increased from -2.4% to -1.8%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 1.8 to .7 and the median EV/EBITDA multiple decreased from 10.2 to 7.4. The median price-to-earnings multiple increased from 5.4 to 7.4 and the median EV/Gross Profit multiple decreased from 12.3 to 11.1 over the same period. The median MVIC/Earnings multiple decreased from 1.2 to .5. The median Price/Revenue multiple increased from 7.4 to 8.8 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
7.1%	-1.8%	.7x	7.4x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
18.1x	11.1x	.5x	8.8x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	.7x	3.2x	3.4x	2.7x	.9x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	7.4x	28.0x	17.6x	13.4x	14.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	18.1x	30.9x	20.3x	21.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	11.1x	22.2x	21.3x	23.6x	14.5x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	.5x	11.6x	2.7x	3.7x	5.4x	5.5x	2.2x	3.2x
Median Price/ Revenue Multiple	8.8x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

	2023	1 Year	2 Year	3 Year	2022	2021	2020
Aaron's, Inc.	16.9%	56.7%	33.4%	21.5%	24.6%	42.9%	-26.8%
Bassett Furniture Industries	-19.3%	12.8%	22.4%	40.3%	23.7%	21.2%	28.5%
Conn's, Inc.	-4.4%	288.6%	23.1%	-2.4%	181.0%	-46.1%	25.6%
Ethan Allen Interiors Inc.	1.8%	-25.1%	1.4%	12.4%	-22.4%	32.5%	-10.2%
Flexsteel Industries, Inc.	-15.4%	-21.5%	2.9%	14.6%	-24.1%	39.6%	37.0%
Haverty Furniture Companies, Inc.	-11.0%	-17.2%	2.8%	6.3%	-4.4%	10.5%	-2.6%
hhgregg, Inc.	-24.2%	-98.0%	-97.0%	-86.4%	-99.8%	-60.9%	-51.7%
Hooker Furniture Corporation	-13.5%	18.2%	29.7%	46.4%	11.9%	50.4%	47.0%
Kimball International, Inc.	-8.7%	3.3%	38.2%	9.5%	6.3%	79.7%	7.1%
La-Z-Boy Incorporated	-4.0%	10.9%	13.0%	10.8%	0.5%	27.1%	-9.0%
Natuzzi S.p.A.	1.8%	-43.0%	-0.3%	0.3%	-29.2%	40.4%	3.9%
Nova Lifestyle, Inc.	-10.0%	30.1%	15.5%	-27.2%	24.4%	7.2%	-35.9%
Stanley Furniture Company, Inc.	10.5%	106.0%	-44.2%	-25.1%	180.8%	-61.4%	-17.2%
Tempur Sealy International, Inc.	-27.8%	-2.5%	-5.7%	4.7%	-8.2%	-3.1%	28.3%
Median of Industry Public Companies	1.8%	7.1%	4.2%	6.3%	3.4%	24.2%	0.6%

Multiple year periods are calculated as the average annual return.

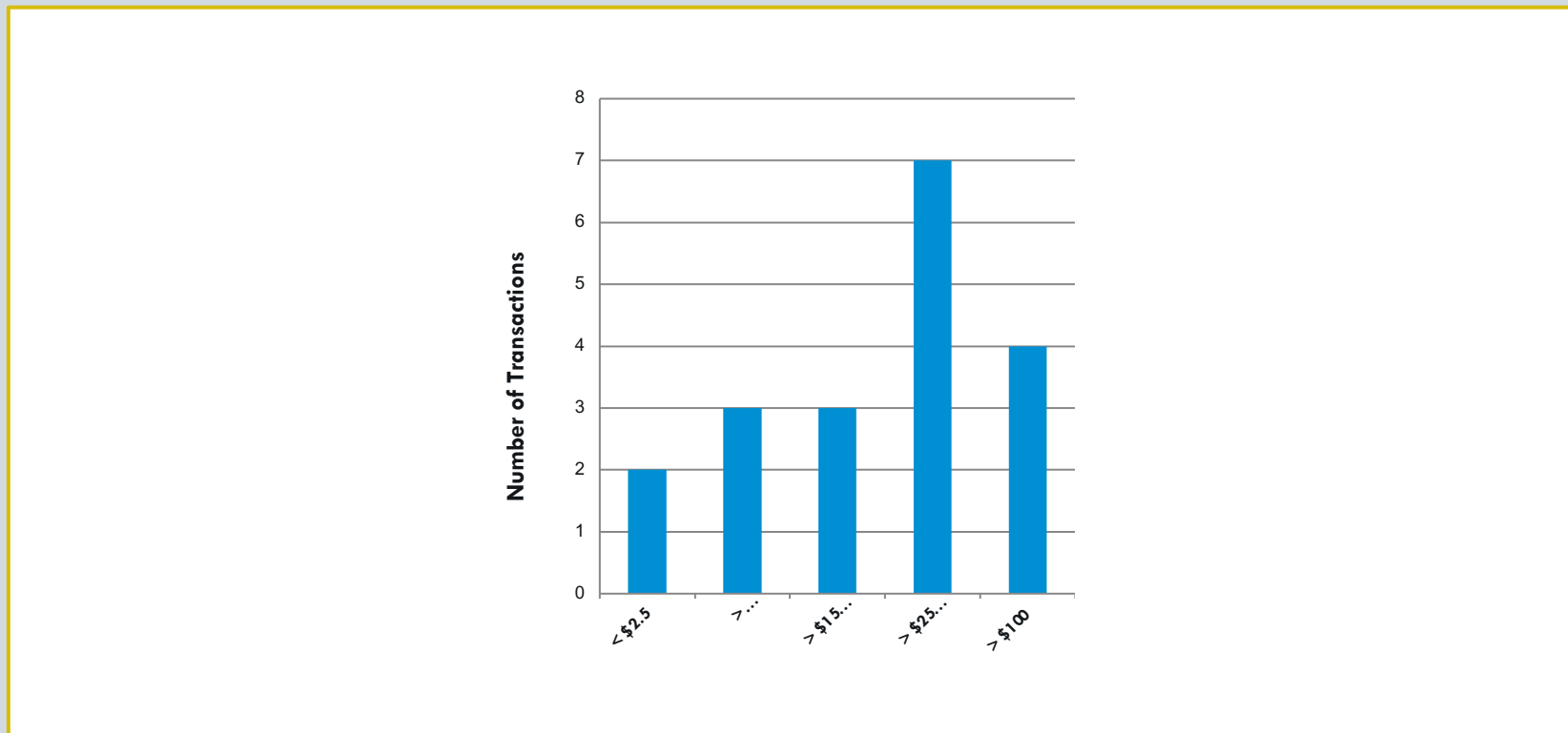
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Initial Public Offerings—Industry: Furniture Retail (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA ¹	LTM Net Income ¹	LTM Cash Flows ¹
12/14/23	Shane Global Holding Inc.	\$3.73	7.0	\$110.1	\$34.8	\$8.1	\$146.4	\$0.0	\$4.3	\$0.0
11/5/23	Avon Moldplast Limited	\$0.74	1.8	\$0.6	\$1,108.8	\$838.3	\$4.1	N/A	N/A	N/A
9/27/23	Pacific Legend Group Limited	\$0.04	0.8	\$13.2	\$9.3	\$1.5	\$35.5	(\$0.7)	(\$1.0)	(\$0.6)
4/6/23	Roche Bobois S.A.	\$23.51	19.4	\$369.1	\$3.2	\$3.5	\$298.4	(\$3.6)	(\$5.0)	(\$3.6)
11/26/22	The Lovesac Company	\$16.00	1.2	\$5.6	\$160.1	\$81.1	\$110.9	\$28.3	\$6.3	\$34.3
6/13/22	home24 SE	\$27.08	55.9	\$44.4	\$125.7	\$38.2	\$360.6	\$20.4	\$10.0	\$27.1
11/24/21	TCM Group A/S	\$15.72	90.9	\$218.1	\$650.9	\$151.1	\$115.2	\$67.4	\$33.1	\$92.1
10/12/21	Shane Global Holding Inc.	\$0.35	20.4	\$54.3	N/A	N/A	\$4.2	N/A	N/A	N/A
	Median of all IPOs	nm	nm	\$49.3	\$125.7	\$38.2	\$113.1	\$10.2	\$5.3	\$13.6

[1] As of the effective date of the IPO

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
11/12/23	Orangebox Limited	Steelcase Inc.	\$18.4	100%
10/30/23	Jennifer Convertibles, Inc.	Morris Holdings Limited	\$300.0	100%
9/15/23	Arizona based La-Z-Boy Furniture Galleries Stores of Ebco, Inc.	La-Z-Boy Incorporated	\$14.7	100%
4/3/23	Ekornes ASA	Qumei Investment AS	\$54.3	100%
2/27/23	Natuzzi Trading (Shanghai) Co., Ltd.	Jason Furniture (Hangzhou) Co.,Ltd.; Jason Furniture (Ningbo) Co., Ltd.	\$13.6	100%
12/12/22	Stanley Furniture Company	Endurance Capital Group	\$11.9	100%
11/25/22	Muuto A/S	Knoll Denmark ApS	\$77.6	100%
7/12/22	Jiaxing Milan Image	Xilinmen Furniture Co.	\$18.4	100%
11/6/21	OKA Direct Ltd.	InvestIndustrial	\$54.3	100%
1/5/21	All assets of Alno AG	RiverRock European Capital	\$23.6	100%
	Median of the 19 M&A Transaction Targets		\$11.9	100%

■ USA
 ■ International

(Continued on next page)

Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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