



STUMP & COMPANY

Investment Bankers to the Furniture Industry

STUMP & COMPANY

What We Do

- We are an Investment Bank focused on mergers & acquisitions within the furniture and home furnishings industries.
- We focus on all market segments, including residential, hospitality and the office/contract furniture channels and their suppliers.
- Our work is primarily as sell-side Merger & Acquisition advisors. We work with business owners and their Board of Directors to create a plan and process for a liquidity event.
- We attend furniture markets globally, including High Point, Las Vegas, Neocon, New York, Cologne, Shanghai and other Asian and regional events.
- We engage deeply with all strategic buyers, domestically and internationally, as well as with Private Equity funds and Family Offices to identify the next generation of investors for the furniture industry
- The Stump Companies are headquartered in Charlotte, North Carolina.

STUMP & COMPANY

Stump Family Tradition

- Stump & Company is part of The Stump Companies, founded by J. Ralph Stump in 1972 specializing in (i) M&A Advisory and (ii) Industrial Real Estate Brokerage.
- Our Executive Team is comprised of two brothers (Ralph's sons): Tim Stump, who joined the firm in 1990 and leads the M&A Advisory business, and Randy Stump, who joined the firm in 1989 and manages the Industrial Real Estate brokerage business.
- Our 3rd Generation of Stumps are in key leadership roles: Stuart Stump Mullens, Vice President in the M&A Advisory practice, joined the firm in January, 2016. John Stump joined the Real Estate business in early 2010.



Tim Stump (l), Ralph Stump (c), Randy Stump (r)

M&A LEADERSHIP TEAM

STUMP



Tim Stump

President

- Founded Stump & Co. as part of The Stump Companies, 1990
- GE Capital, Former Vice President & Manager: Charlotte
- Irving Trust Company: New York & Atlanta
- MBA: Wake Forest University, 1982
- University of North Carolina at Chapel Hill, 1979



Stuart Stump Mullens

Partner

- Joined Stump & Company, 2016
- McKinsey & Company: Atlanta
- Georgia-Pacific: Atlanta
- Jefferson Scholar & Phi Beta Kappa: University of Virginia, 2011



Bo Stump

Partner

- Joined Stump & Company, 2019
- Abrigo Bank Consulting: Raleigh
- WME | IMG & Viacom: Los Angeles
- MBA: UNC Kenan-Flagler, 2017
 - *Beta Gamma Sigma & Schrum Fellow*
- University of North Carolina at Chapel Hill, 2013

SELL SIDE M&A ADVISORY

- 90% of our work involves assisting owners / sellers, on an exclusive basis, with the process of valuing and selling their business
- Our typical transaction takes 6 months or less to close
- We are global. Our clients are based all over the world
- We work with private and public companies
- We sell companies to strategic and financial buyers, domestically and internationally

- 5% of our work involves assisting qualified buyers, with specific acquisition criteria, who need our assistance
- We identify target companies, open dialogues with owners and negotiate price, terms and closing requirements on behalf of buyers
- We limit buy side advisory to proven and qualified buyers with integrity and character with whom we have long term relationships

BUY SIDE M&A ADVISORY

VALUATION

- We work with dozens of companies every year to determine the value of the business and the marketability of the company
- We have completed over 500 valuations of furniture companies, leading to over 400 successful M&A transactions

SEGMENTS SERVED

Residential



Hospitality



Office / Contract



Casual



e-Commerce



Healthcare



We serve all furniture segments and channels

THE STUMP DIFFERENCE

STUMP

Stump & Company's competitive differentiator is its sole focus on Furniture & Furnishings M&A . Our focus allows us to develop unparalleled levels of insight, connections and industry experiences.

Stump & Company brings that advantage to you in a transaction through...

- **The most thorough understanding of the strategic marketplace:** Synergies, financials and culture. We tailor the prospective buyer list and our Offering Memorandum to optimize company marketability. We have a vantage point to see opportunities that other bankers might not see.
- **Extremely well developed CEO relationships globally:** They know us. They trust us. They take our calls.
- **The most extensive track record of successfully completed furnishings M&A deals:** We do the Deals!
 - Fourteen transactions closed in the last forty months
 - Two 7x+ EBITDA multiples achieved in recent years
 - Over 400 total transactions completed in the furniture industry
- **A commitment to executing every deal quickly and professionally:** We know the importance of confidentiality and not disrupting your business. We are honored that many companies have chosen us multiple times to sell their business in various forms over the last 40 years.

INDUSTRY INSIGHTS

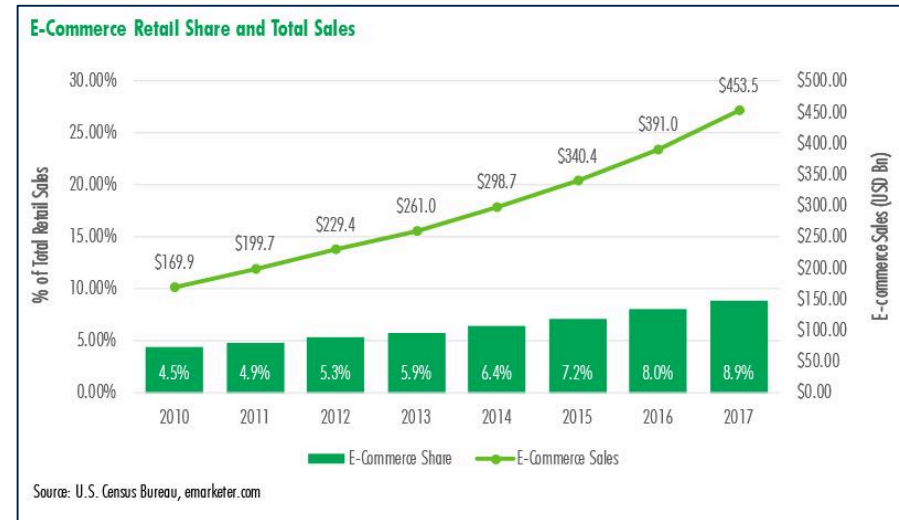
Stump & Company has developed an extraordinary depth of insight and expertise in the Furniture Industry

We bring these insights to bear in all our work, particularly when assisting with client materials and having synergy discussions with prospective buyers

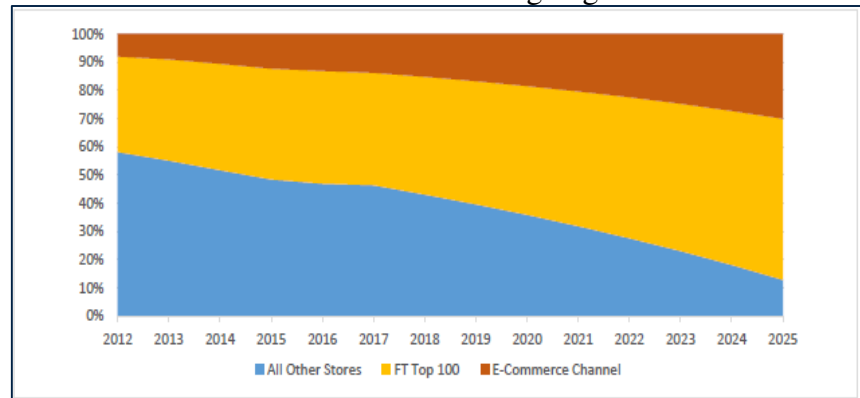
Key trends we are watching closely:

- E-commerce
- Ergo / Motion
- Tariffs
- Re-shoring & made in North America gaining traction
- ‘Resi-mercial’ / ‘Hospi – dental’

We also closely track the broader M&A environment and how the furniture industry is performing by comparison



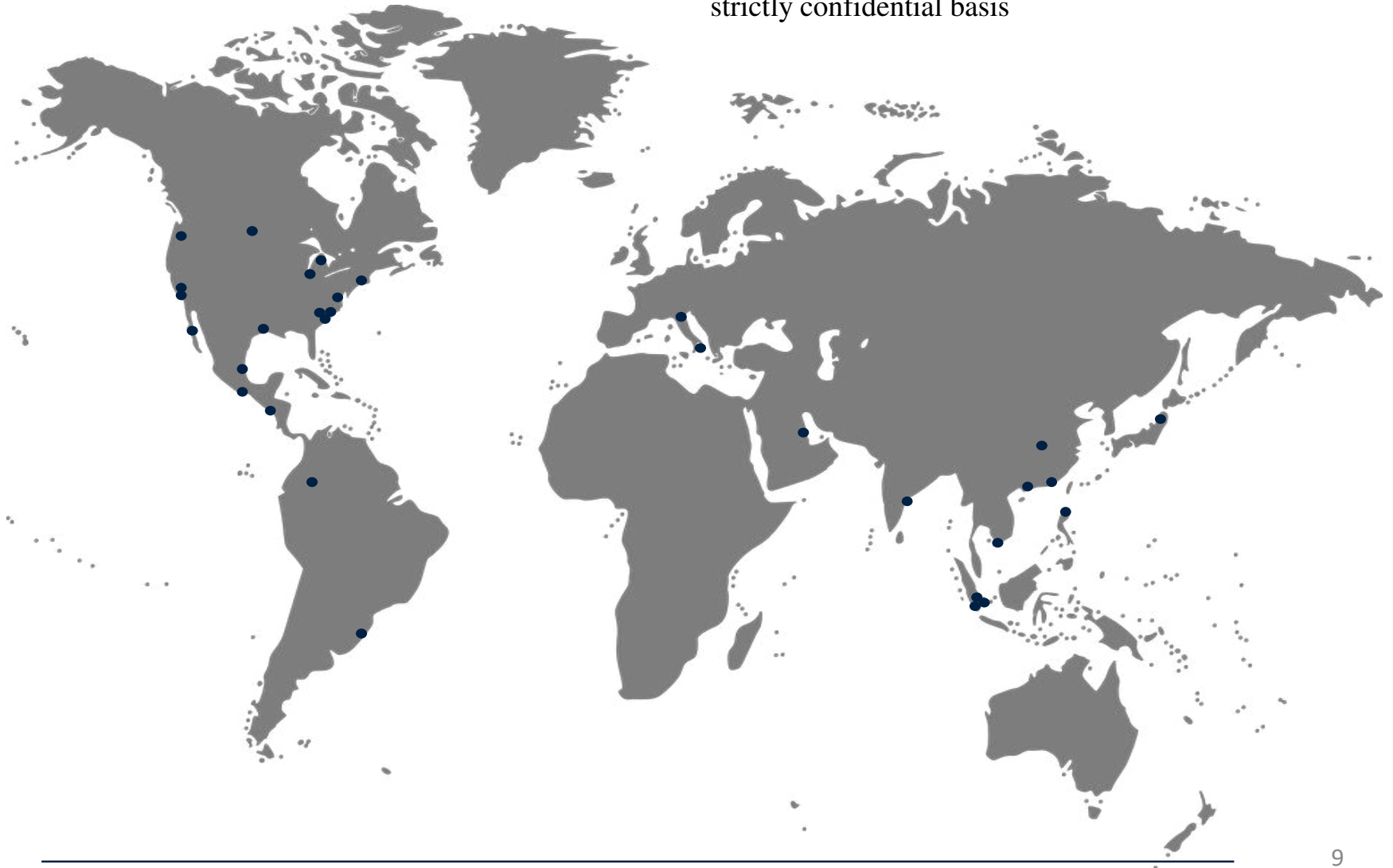
% Growth of Furniture Selling Segments



GLOBAL REACH

STUMP

Stump & Company works globally with its clients on a strictly confidential basis



MARKETS ATTENDED

GLOBAL FURNITURE MARKETS

Residential

- High Point
- Las Vegas
- Milan
- Maison Paris
- Shanghai / Singapore /
/ South China

Hospitality

- Las Vegas
- Los Angeles
- New York

Office / Commercial

- Chicago
- Orgatec Germany



LAS VEGAS
MARKET™

NeoCon

We travel internationally to attend all the major furniture shows

SALE PROCESS

Foundational Work



- Valuation
- Due diligence
- Process management
- Build a team

Presenting the Company



- Write the book / offering memorandum / CIM
- Develop marketing plan and timeline

Finding the Right Buyer



- Global reach
- Strategic vs. private equity
- Confidentiality
- Create a market

Closing the Deal



- Attention to detail
- Structure for best results
- Execution to the end


Post-Closing Issues



- Proper wealth and risk management
- Employment and noncompete terms

RECENT STUMP TRANSACTIONS RESIDENTIAL UPHOLSTERY

STUMP



HAS BEEN ACQUIRED BY

Our House Acquisition, LLC

LED BY

IntrepidMAC LLC

WITH CAPITAL FROM

Clarity Investments, Inc. Eagleart LP Symphony Investment Holdings LLC

January 21, 2020

Stump initiated this transaction and exclusively represented the selling shareholders.

SOUTHERN
FURNITURE COMPANY

*a domestic manufacturer of high-quality upholstery
based in Conover, North Carolina*

HAS BEEN ACQUIRED BY

UNIVERSAL
FURNITURE

a wholly owned subsidiary of

samson Holding

September 30, 2019

*Stump initiated this transaction and served as
exclusive investment bankers to the selling shareholders*



ALBANY

HAS BEEN ACQUIRED BY



STANDARD
furniture

a portfolio company of



Aterian
INVESTMENT PARTNERS

June 7, 2018

*Stump exclusively represented Albany Industries, Inc. and
its selling shareholders*

Fusion
FURNITURE INC.
WHERE STYLE MEETS VALUE

HAS BEEN ACQUIRED BY

Southern Motion

a portfolio company of

GAIN/LINE
CAPITAL PARTNERS

June 4, 2018

*We initiated this transaction and exclusively represented
Fusion Furniture Inc. and its selling shareholders*



shenandoah
furniture inc.

HAS BEEN ACQUIRED BY

HOOKE[®]
— FURNITURE —

September 29, 2017

*Stump exclusively represented Shenandoah
Furniture, Inc. and its selling shareholders*

RECENT STUMP TRANSACTIONS RESIDENTIAL

STUMP



HAS BEEN ACQUIRED BY



November 6, 2020

Stump & Company served as exclusive financial advisor to Urban Hardwoods.

LANE VENTURE*

HAS BEEN ACQUIRED BY

Bassett®

December 30, 2017

Stump exclusively represented Bassett Furniture Industries, Inc.

Baker

A company owned by Kohler Co.

HAS BEEN ACQUIRED BY

Samson International Holding

samson
Holding

February 16, 2017

Stump served as advisors to the selling shareholders



A portfolio company of Sun Capital Partners

HAS BEEN ACQUIRED BY

Yixing Capital



and

Luolai Lifestyle Technology Co
(罗莱生活科技股份有限公司)

January 7, 2017

Stump served as advisors to the selling shareholders

RECENT STUMP TRANSACTIONS CONTRACT / OFFICE

STUMP

Trendway >

HAS BEEN ACQUIRED BY



April 13, 2019

Stump initiated this transaction and exclusively represented the selling shareholders.



HAS BEEN ACQUIRED BY



a portfolio company of



June 6, 2018

Stump exclusively represented HAT Holdings, LLC and its selling shareholders



HAS BEEN ACQUIRED BY




Fall 2015


Highmark Seating was exclusively advised by Stump & Company

RECENT STUMP TRANSACTIONS HOSPITALITY

STUMP




HAS BEEN ACQUIRED BY




November 18, 2020

Stump & Company served as exclusive financial advisor to Vaughan Benz.



HAS BEEN ACQUIRED BY



April 3, 2018

Stump acted as exclusive advisor to Culp, Inc.



HAS BEEN ACQUIRED BY



a portfolio company of



November 31, 2017

Stump exclusively represented Brookline Furniture Company and its selling shareholders



HAS BEEN ACQUIRED BY



November 2017

Stump exclusively represented D'style Hospitality Furnishings, Inc. and its selling shareholders



HAS BEEN ACQUIRED BY



August 31, 2017

Stump exclusively represented Bryan Ashley Industries, LLC and its selling shareholders

ASHLEY FURNITURE TRANSACTIONS **STUMP**



HAS ACQUIRED

Gimson - Slater

Gimson-Slater
was exclusively advised by
Stump & Company

The Stump Companies have worked closely with the industry's largest player, Ashley Furniture, to assist in their game-changing growth and prominence.

Gimson-Slater was their first move into upholstery, focusing initially on stationary sofas.

18 months later, they entered the motion field with the add-on acquisition of Gentry Gallery, Inc.

We continue to work with Ashley annually on strategic planning, acquisitions and global sourcing balancing.








HAS ACQUIRED

Gentry Gallery, Inc.








Gentry Gallery
was exclusively advised by
Stump & Company

SELECTED TRANSACTIONS

 <p>HAS BEEN ACQUIRED BY</p>  <p>Dicey Mills was exclusively advised by Stump & Company</p>	 <p>FOUR HANDS FURNISHING STYLE</p> <p>HAS BEEN ACQUIRED BY</p>  <p>This selling company was exclusively advised by Stump & Company</p>
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 <p>HAS BEEN ACQUIRED BY</p> <p>A. G. Capital, LLC</p> <p>Henkel-Harris was exclusively advised by Stump & Company</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>Paoli, and its owner, Klaussner Furniture Industries, Inc., were exclusively advised by Stump & Company</p>	<p>THEODORE ALEXANDER'</p>  <p>HAS ACQUIRED</p>  <p>Theodore Alexander was exclusively advised by Stump & Company</p>
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SELECTED TRANSACTIONS

<div><p>HAS BEEN ACQUIRED BY</p><p>Bradington Young Furniture was exclusively advised by Stump & Company</p></div>	<div><p>Alexvale Furniture</p><p>HAS BEEN ACQUIRED BY</p><p>Alexvale Furniture was exclusively advised by Stump & Company</p></div>	<div><p>HAS BEEN ACQUIRED BY</p><p>Craftmaster Furniture was exclusively advised by Stump & Company</p></div>
<div><p>HAS BEEN ACQUIRED BY</p><p>Sligh was exclusively advised by Stump & Company</p></div>	<div><p>Mark David</p><p>HAS BEEN ACQUIRED BY</p><p>Mark David was exclusively advised by Stump & Company</p></div>	<div><p>HAS BEEN ACQUIRED BY</p><p>PRI was exclusively advised by Stump & Company</p></div>

CONTACT INFORMATION

STUMP

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Bo Stump

Phone: 704-351-0240
Email: bo@stumpnet.com

www.stumpnet.com

A faded, high-angle photograph of a large furniture manufacturing facility. The floor is covered with various pieces of furniture in different stages of production, including wooden chairs, tables, and sofas. Workers are visible in the background, and the overall atmosphere is one of a busy industrial environment.

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