



## Consumer Products Update October 2021

The Mufson Howe Hunter Consumer Products Update is designed to update business leaders, investors and industry professionals on current market trends and important developments within the consumer products sector of the economy. This report contains information on select companies in various subsectors within consumer products emphasizing financial performance, stock performance and M&A transactions.

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## MHH Sectors

Cleaning and Bath Products

Décor

Furniture

Hardware and Outdoor

Household Appliances

Housewares

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MHH's coverage of the Consumer Products Sector spans companies in the following six sub-segments for each of which our index has been calculated as follows:

**The MHH Cleaning and Bath Products Index** is currently comprised of Church & Dwight Co., Inc., Colgate-Palmolive Company, Kimberly-Clark Corporation, McBride plc, Prestige Brands Holdings, Inc., PZ Cussons Plc, Reckitt Benckiser Group plc, The Clorox Company and The Procter & Gamble Company.

**The MMH Décor Index** is currently comprised of Armstrong World Industries, Inc., Colefax Group plc, Culp, Inc., Fortune Brands Home & Security, Inc., Interface, Inc., Masco Corporation, Mohawk Industries, Inc., RPM International Inc., The Dixie Group, Inc. and The Sherwin-Williams Company

**The MHH Furniture Index** is currently comprised of Bassett Furniture Industries, Incorporated, Crown Crafts, Inc., Flexsteel Industries, Inc., Herman Miller, Inc., HNI Corporation, Hooker Furniture Corporation, Kimball International, Inc., Leggett & Platt, Incorporated, Steelcase Inc., Tempur Sealy International, Inc. and Unifi, Inc.

**The MHH Hardware and Outdoor Index** is currently comprised of Central Garden & Pet Company, Einhell Germany AG, Husqvarna AB (publ), P&F Industries, Inc., Spectrum Brands Holdings, Inc., Techtronic Industries Company Limited, The Toro Company and WD-40 Company.

**The MMH Household Appliance Index** is currently comprised of AB Electrolux, De'Longhi S.p.A., Fiskars Oyj, iRobot Corporation, NACCO Industries, Inc., Stanley Black & Decker, Inc. and Whirlpool Corporation.

**The MHH Housewares Index** is currently comprised of Churchill China plc, Duni AB (publ), Helen of Troy Limited, Henkel AG & Co. KGaA, Leifheit AG, Lifetime Brands, Inc., Newell Brands Inc., Portmeirion Group plc, SEB SA and Tupperware Brands Corporation.

The companies that comprise each Index can change periodically as a result of a variety of reasons, including mergers, acquisitions, initial public offerings and other transactions; therefore, comparisons to historical time periods and historical performance for each Index may not entirely correspond and correlate to the Index's current performance. In addition, historical performance is not a guarantee or prediction of future results.

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# Consumer Products Group Summary

## Public Comp Group Valuation Metrics

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Cleaning and Bath Products</b>											
The Procter & Gamble Company (NYSE:PG)	\$139.80	\$338,308.7	\$361,641.7	\$77,138.0	\$21,568.0	\$5.47	4.69 x	16.8 x	25.5 x	50.5%	27.5%
Colgate-Palmolive Company (NYSE:CL)	79.37	66,949.7	74,306.7	17,081.0	4,629.0	3.20	4.35 x	16.1 x	24.8 x	60.7%	26.0%
Reckitt Benckiser Group plc (LSE:RKT)	78.71	56,223.7	68,923.1	18,893.7	4,466.5	(3.19)	3.65 x	15.4 x	NM	58.8%	23.1%
Kimberly-Clark Corporation (NYSE:KMB)	132.44	44,594.8	53,511.8	19,311.0	4,288.0	5.88	2.77 x	12.5 x	22.5 x	32.9%	19.6%
The Clorox Company (NYSE:CLX)	165.61	20,339.1	23,387.1	7,341.0	1,542.0	5.58	3.19 x	15.2 x	29.7 x	43.6%	19.4%
Church & Dwight Co., Inc. (NYSE:CHD)	82.57	20,274.5	22,256.3	5,046.3	1,159.4	3.21	4.41 x	19.2 x	25.7 x	44.1%	22.2%
Prestige Consumer Healthcare Inc. (NYSE:PBH)	56.11	2,808.9	4,225.3	983.2	392.3	3.53	4.30 x	10.8 x	15.9 x	58.9%	34.5%
PZ Cussons Plc (LSE:PZC)	2.75	1,150.4	1,239.2	857.1	121.2	0.12	1.45 x	10.2 x	23.2 x	39.3%	12.7%
McBride plc (LSE:MCB)	0.80	139.3	303.0	942.3	60.2	0.11	0.32 x	5.0 x	7.4 x	34.7%	5.8%
<b>Mean</b>		<b>\$61,198.8</b>	<b>\$67,754.9</b>	<b>\$16,399.3</b>	<b>\$4,247.4</b>	<b>\$2.66</b>	<b>3.24x</b>	<b>13.5x</b>	<b>21.8x</b>	<b>47.1%</b>	<b>21.2%</b>
<b>Median</b>		<b>20,339.1</b>	<b>23,387.1</b>	<b>7,341.0</b>	<b>1,542.0</b>	<b>3.21</b>	<b>3.65x</b>	<b>15.2x</b>	<b>24.0x</b>	<b>44.1%</b>	<b>22.2%</b>
<b>Décor</b>											
The Sherwin-Williams Company (NYSE:SHW)	\$279.73	\$72,780.9	\$83,276.7	\$19,671.3	\$4,038.4	\$7.30	4.23 x	20.6 x	38.3 x	44.7%	17.5%
Masco Corporation (NYSE:MAS)	55.55	13,729.9	16,311.9	7,992.0	1,292.5	1.99	2.04 x	12.6 x	27.9 x	36.3%	15.4%
Fortune Brands Home & Security, Inc. (NYSE:FBHS)	89.42	12,329.1	14,497.5	7,353.1	1,281.0	5.42	1.97 x	11.3 x	16.5 x	36.4%	17.5%
Mohawk Industries, Inc. (NYSE:MHK)	177.40	12,245.8	13,911.7	10,839.5	2,138.1	14.53	1.28 x	6.5 x	12.2 x	29.5%	17.9%
RPM International Inc. (NYSE:RPM)	77.65	10,072.4	12,554.4	6,150.0	910.8	3.52	2.04 x	13.8 x	22.1 x	38.5%	13.4%
Colfax Corporation (NYSE:CFX)	45.90	6,533.5	8,280.1	3,499.2	602.3	0.79	2.37 x	13.7 x	58.1 x	42.7%	15.8%
Armstrong World Industries, Inc. (NYSE:AWI)	95.47	4,532.5	5,104.6	1,062.8	348.1	3.70	4.80 x	14.7 x	25.8 x	36.3%	24.3%
Interface, Inc. (NasdaqGS:TILE)	15.15	894.7	1,450.8	1,103.6	176.5	0.81	1.31 x	8.2 x	18.6 x	36.5%	13.4%
The Dixie Group, Inc. (NasdaqGM:DXYN)	4.86	75.0	172.0	365.7	26.0	0.12	0.47 x	6.6 x	38.9 x	24.7%	5.7%
Culp, Inc. (NYSE:CULP)	12.88	157.2	129.2	318.3	23.9	0.66	0.41 x	5.4 x	19.5 x	16.5%	6.5%
<b>Mean</b>		<b>\$13,335.1</b>	<b>\$15,568.9</b>	<b>\$5,835.6</b>	<b>\$1,083.8</b>	<b>\$3.88</b>	<b>2.09x</b>	<b>11.3x</b>	<b>27.8x</b>	<b>34.2%</b>	<b>14.7%</b>
<b>Median</b>		<b>8,303.0</b>	<b>10,417.2</b>	<b>4,824.6</b>	<b>756.6</b>	<b>2.75</b>	<b>2.01x</b>	<b>12.0x</b>	<b>23.9x</b>	<b>36.4%</b>	<b>15.6%</b>
<b>Furniture</b>											
Tempur Sealy International, Inc. (NYSE:TPX)	\$46.41	\$9,119.4	\$11,376.9	\$4,628.2	\$1,087.8	\$2.85	2.46 x	10.5 x	16.3 x	44.2%	20.3%
Leggett & Platt, Incorporated (NYSE:LEG)	44.84	5,977.1	7,943.9	4,810.1	809.2	3.00	1.65 x	9.8 x	15.0 x	21.7%	15.4%
Herman Miller, Inc. (NasdaqGS:MLHR)	37.66	2,853.6	4,497.2	2,628.0	357.0	0.63	1.71 x	12.6 x	59.7 x	37.2%	10.9%
Steelcase Inc. (NYSE:SCS)	12.68	1,438.2	1,798.7	2,576.0	161.1	0.04	0.70 x	11.2 x	NM	28.6%	4.0%
HNI Corporation (NYSE:HNI)	36.72	1,611.1	1,756.1	2,143.6	211.7	1.70	0.82 x	8.3 x	21.6 x	36.0%	8.5%
Unifi, Inc. (NYSE:UF1)	21.93	406.1	450.1	722.1	91.9	1.82	0.62 x	4.9 x	12.1 x	14.5%	12.1%
Kimball International, Inc. (NasdaqGS:KBAL)	11.20	412.7	447.6	569.0	34.4	0.20	0.79 x	13.0 x	56.0 x	32.1%	4.6%
Hooker Furnishings Corporation (NasdaqGS:HOFI)	26.99	320.1	310.4	630.3	60.1	2.98	0.49 x	5.2 x	9.1 x	21.0%	8.0%
Flexsteel Industries, Inc. (NasdaqGS:FLXS)	30.88	209.9	283.5	511.4	35.2	3.24	0.55 x	8.1 x	9.5 x	19.0%	5.9%
Bassett Furniture Industries, Incorporated (NasdaqGS:BSET)	18.11	176.7	257.8	475.0	75.3	1.97	0.54 x	3.4 x	9.2 x	56.3%	8.9%
Crown Crafts, Inc. (NasdaqCM:CRWS)	7.40	74.2	73.5	81.7	13.0	0.75	0.90 x	5.6 x	9.9 x	29.1%	13.7%
<b>Mean</b>		<b>\$2,054.5</b>	<b>\$2,654.2</b>	<b>\$1,797.8</b>	<b>\$267.0</b>	<b>\$1.74</b>	<b>1.02x</b>	<b>8.4x</b>	<b>21.8x</b>	<b>30.9%</b>	<b>10.2%</b>
<b>Median</b>		<b>412.7</b>	<b>450.1</b>	<b>722.1</b>	<b>91.9</b>	<b>1.82</b>	<b>0.79x</b>	<b>8.3x</b>	<b>13.5x</b>	<b>29.1%</b>	<b>8.9%</b>

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# Consumer Products Group Summary

## Public Comp Group Valuation Metrics (cont'd.)

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance			Valuation			Margins	
	Price <sup>(1)</sup>	Equity Value	Enterprise Value <sup>(2)</sup>	Revenue	EBITDA	EPS	Enterprise Value/Revenue	EBITDA	Price/EPS	Gross Profit	EBITDA
<b>Hardware and Outdoor</b>											
Techtronic Industries Company Limited (SEHK:669)	\$19.92	\$36,538.1	\$37,494.8	\$12,000.0	\$1,327.9	\$0.54	3.12 x	28.2 x	36.9 x	38.5%	10.3%
The Toro Company (NYSE:TTC)	97.41	10,368.8	10,600.4	3,839.9	652.1	3.87	2.76 x	16.3 x	25.2 x	35.1%	16.2%
Husqvarna AB (publ) (OM:HUSQ B)	12.01	6,879.8	6,911.8	5,201.9	\$864.2	\$0.71	1.33 x	8.0 x	16.9 x	33.3%	15.7%
Spectrum Brands Holdings, Inc. (NYSE:SPB)	95.67	4,068.5	6,739.9	4,628.1	706.4	4.40	1.46 x	9.5 x	21.7 x	35.9%	14.4%
Central Garden & Pet Company (NasdaqGS:CEN)	48.00	2,673.9	3,496.9	3,240.5	395.5	3.06	1.08 x	8.8 x	15.7 x	29.4%	10.5%
WD-40 Company (NasdaqGS:WDFC)	231.48	3,173.4	3,212.1	488.1	98.6	5.09	6.58 x	32.6 x	45.5 x	54.0%	19.6%
Einhell Germany AG (XTRA:EIN3)	192.40	726.2	800.6	1,005.0	98.9	15.93	0.80 x	8.1 x	12.1 x	36.2%	9.3%
P&F Industries, Inc. (NasdaqGM:PFIN)	6.63	21.1	23.4	51.8	(0.0)	0.10	0.45 x	NM	69.7 x	31.2%	-1.8%
<b>Mean</b>		<b>\$8,056.2</b>	<b>\$8,660.0</b>	<b>\$3,806.9</b>	<b>\$517.9</b>	<b>\$4.21</b>	<b>2.20x</b>	<b>15.9x</b>	<b>30.5x</b>	<b>36.7%</b>	<b>11.8%</b>
<b>Median</b>		<b>3,620.9</b>	<b>5,118.4</b>	<b>3,540.2</b>	<b>523.8</b>	<b>3.46</b>	<b>1.39x</b>	<b>9.5x</b>	<b>23.5x</b>	<b>35.5%</b>	<b>12.4%</b>
<b>Household &amp; Family Electronics / Appliances</b>											
Stanley Black & Decker, Inc. (NYSE:SWK)	\$175.31	\$28,568.9	\$32,677.2	\$17,168.8	\$3,336.6	\$11.24	1.90 x	9.8 x	15.6 x	35.7%	19.1%
Whirlpool Corporation (NYSE:WHR)	203.86	12,383.1	15,757.1	21,968.0	3,405.5	31.35	0.72 x	4.6 x	6.5 x	21.5%	14.4%
AB Electrolux (publ) (OM:ELUX B)	23.12	6,646.0	6,648.8	14,192.7	1,575.2	2.35	0.47 x	4.2 x	9.8 x	20.5%	10.5%
De'Longhi S.p.A. (BIT:DLG)	36.02	5,401.2	5,197.7	3,415.3	579.8	2.63	1.52 x	9.0 x	13.7 x	44.6%	16.3%
iRobot Corporation (NasdaqGS:IRBT)	78.50	2,202.0	1,999.3	1,654.4	108.2	2.63	1.21 x	18.5 x	29.8 x	38.7%	5.8%
Fiskars Oyj Abp (HLSE:FSKRS)	22.18	1,807.3	1,985.2	1,410.2	245.6	1.31	1.41 x	8.1 x	17.0 x	42.5%	15.4%
NACCO Industries, Inc. (NYSE:NC)	29.84	213.7	171.2	146.4	50.0	2.53	1.17 x	3.4 x	11.8 x	16.9%	-8.5%
<b>Mean</b>		<b>\$8,174.6</b>	<b>\$9,205.2</b>	<b>\$8,565.1</b>	<b>\$1,328.7</b>	<b>\$7.72</b>	<b>1.20x</b>	<b>8.2x</b>	<b>14.9x</b>	<b>31.5%</b>	<b>10.4%</b>
<b>Median</b>		<b>5,401.2</b>	<b>5,197.7</b>	<b>3,415.3</b>	<b>579.8</b>	<b>2.63</b>	<b>1.21x</b>	<b>8.1x</b>	<b>13.7x</b>	<b>35.7%</b>	<b>14.4%</b>
<b>Housewares</b>											
Henkel AG & Co. KGaA (XTRA:HEN3)	\$92.93	\$40,334.6	\$41,679.2	\$23,347.2	\$3,692.2	\$4.30	1.79 x	11.3 x	21.6 x	46.8%	15.1%
Newell Brands Inc. (NasdaqGS:NWL)	22.14	9,418.4	14,931.4	10,385.0	1,678.5	1.68	1.44 x	8.9 x	13.2 x	32.9%	14.2%
SEB SA (ENXTPA:SK)	141.28	7,789.7	10,334.9	9,052.9	1,192.3	10.06	1.14 x	8.7 x	14.0 x	13.3%	12.1%
Helen of Troy Limited (NasdaqGS:HELE)	224.68	5,421.0	5,905.7	2,163.6	314.6	8.67	2.73 x	18.8 x	25.9 x	43.9%	14.1%
Tupperware Brands Corporation (NYSE:TUP)	21.12	1,053.7	1,671.4	1,891.8	426.2	2.53	0.88 x	3.9 x	8.4 x	68.6%	18.4%
Lifetime Brands, Inc. (NasdaqGS:LCUT)	18.19	400.3	726.0	856.2	114.1	1.78	0.85 x	6.4 x	10.2 x	34.9%	10.6%
Duni AB (publ) (OM:DUNI)	11.57	543.7	701.4	536.1	53.3	0.25	1.31 x	13.2 x	47.1 x	18.1%	8.6%
Leifheit Aktiengesellschaft (XTRA:LEI)	40.39	384.2	339.3	352.8	36.9	2.00	0.96 x	9.2 x	20.2 x	44.2%	10.2%
Churchill China plc (AIM:CHH)	13.55	149.3	131.0	57.2	0.3	0.12	2.29 x	NM	NM	90.4%	0.1%
Portmeirion Group PLC (AIM:PMP)	5.07	69.7	78.8	136.7	13.0	0.26	0.58 x	6.1 x	19.3 x	53.0%	7.6%
<b>Mean</b>		<b>\$6,556.5</b>	<b>\$7,649.9</b>	<b>\$4,878.0</b>	<b>\$752.1</b>	<b>\$3.16</b>	<b>1.40x</b>	<b>9.6x</b>	<b>20.0x</b>	<b>44.6%</b>	<b>11.1%</b>
<b>Median</b>		<b>798.7</b>	<b>1,198.7</b>	<b>1,374.0</b>	<b>214.4</b>	<b>1.89</b>	<b>1.22x</b>	<b>8.9x</b>	<b>19.3x</b>	<b>44.0%</b>	<b>11.3%</b>

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

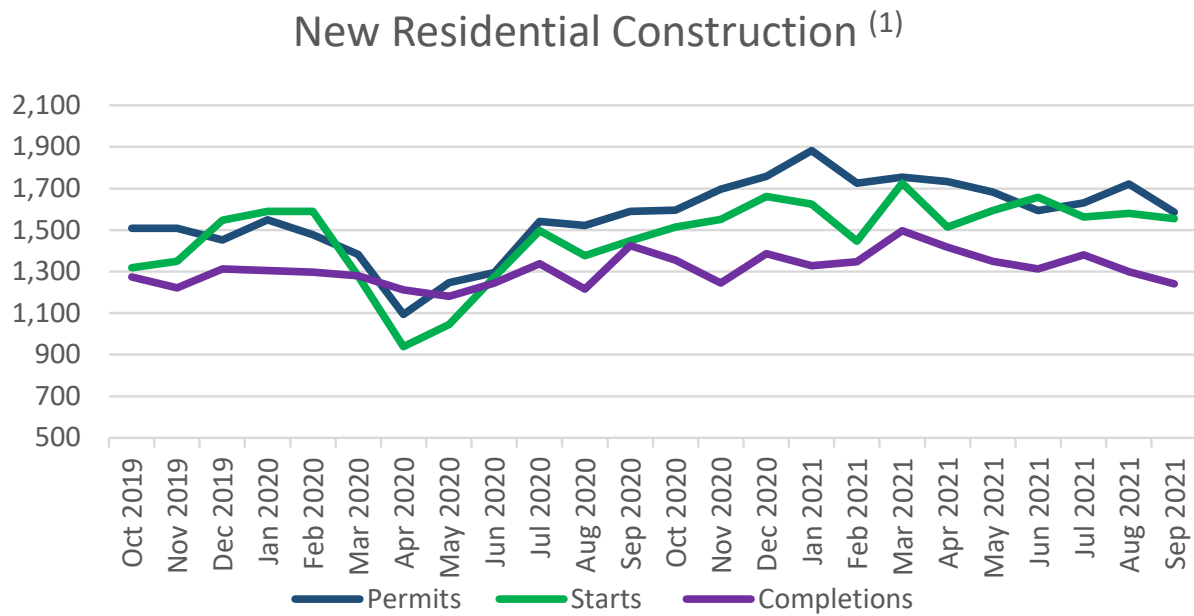
‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close September 30, 2021

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

## Residential Construction Trend

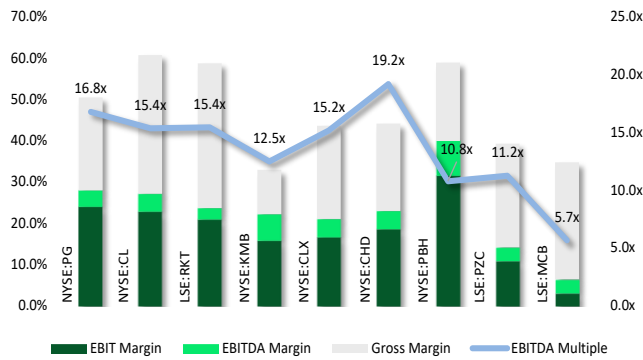


1) Source: US Census Bureau

# Consumer Products Group Summary

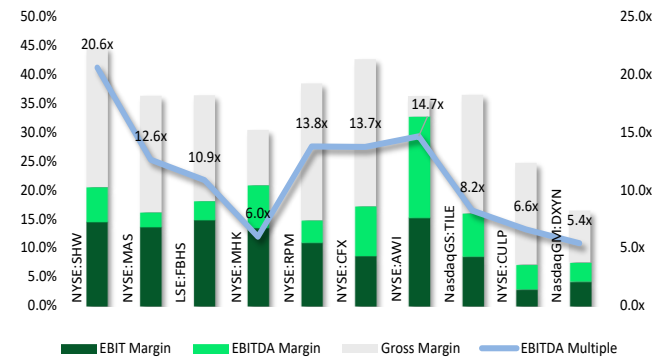
## Public Comp Group – Operating Performance vs. EBITDA Multiple Analysis <sup>(1)</sup>

### Operating Performance vs. EBITDA Multiple - Cleaning & Bath Products



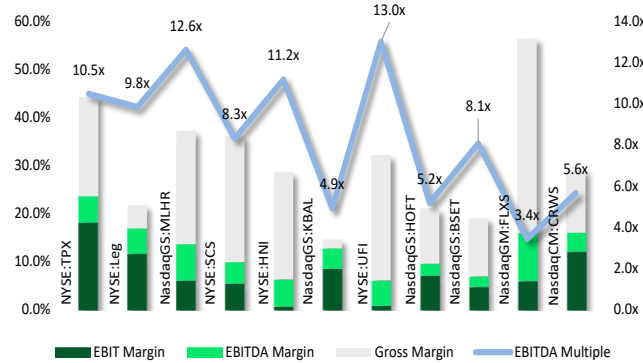
Source: CapitalIQ and MHH

### Operating Performance vs. EBITDA Multiple - Decor



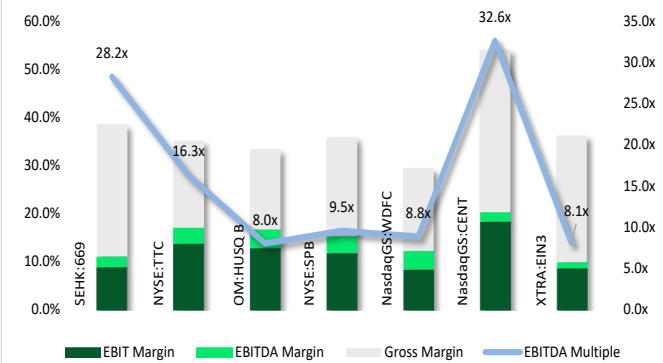
Source: CapitalIQ and MHH

### Operating Performance vs. EBITDA Multiple - Furniture



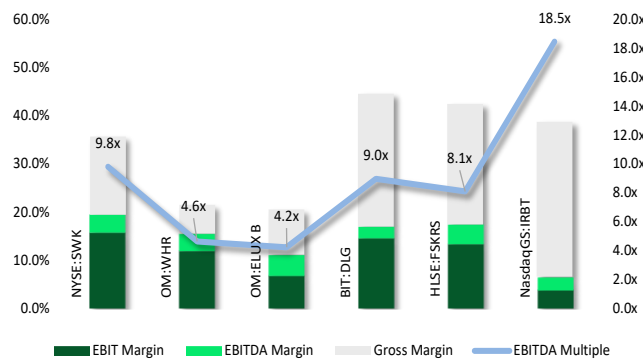
Source: CapitalIQ and MHH

### Operating Performance vs. EBITDA Multiple - Hardware



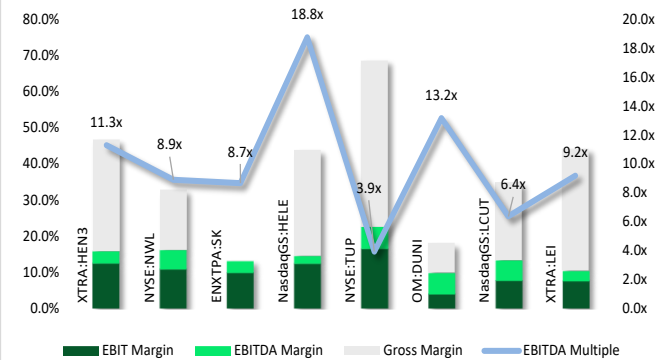
Source: CapitalIQ and MHH

### Operating Performance vs. EBITDA Multiple - Household Appliances



Source: CapitalIQ and MHH

### Operating Performance vs. EBITDA Multiple - Housewares

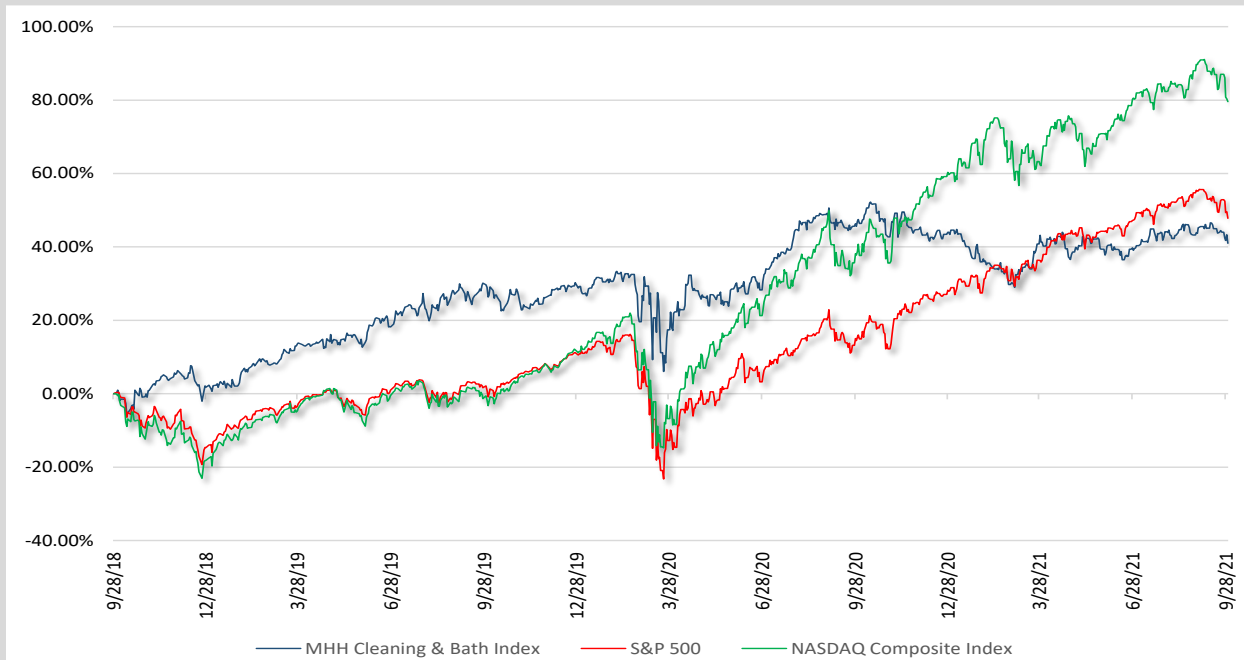


Source: CapitalIQ and MHH

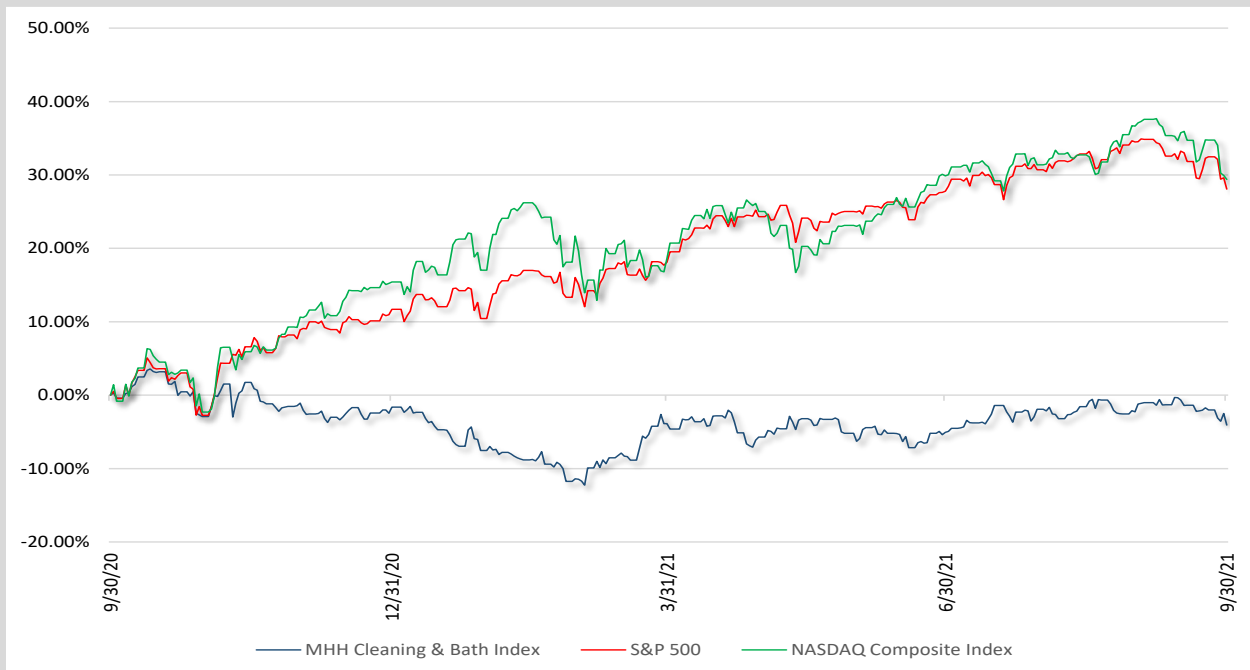
1) Companies with statistically significant outliers for EBITDA multiples are not included in graphs

## Comparative Index Performance (Three-year and One-year)

### Last Three Years



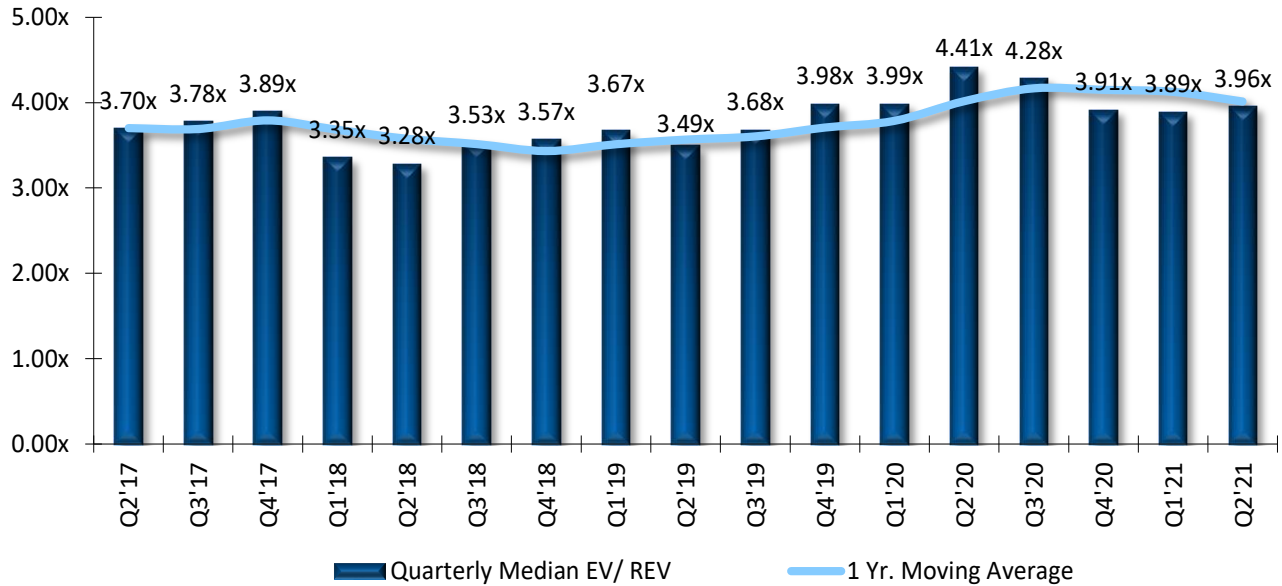
### Last Twelve Months



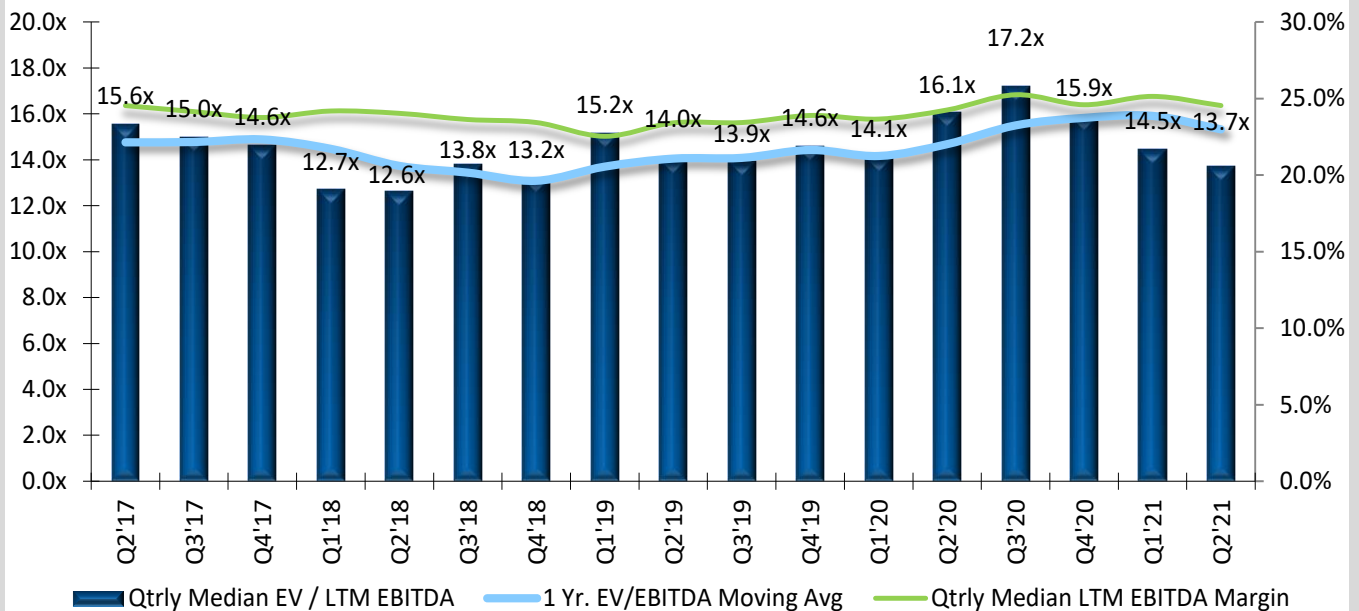
Source: CapitalIQ

## Valuation Trend

Enterprise Value/LTM Revenue



Enterprise Value/LTM EBITDA



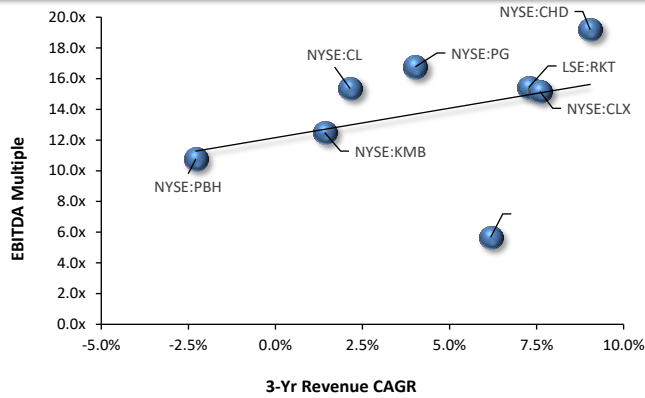
Source: CapitalIQ



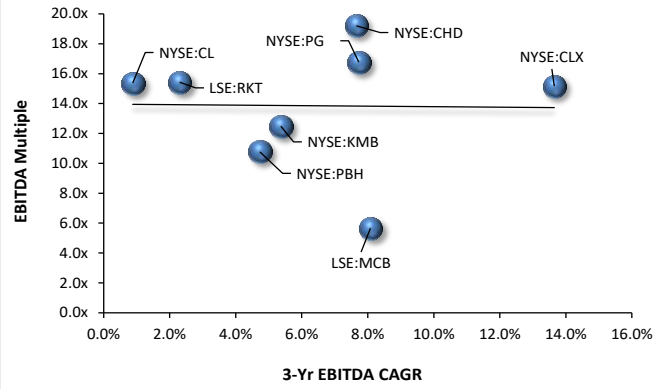
## Valuation and Operating Performance Matrices

Graphs adjusted to eliminate statistical outliers.

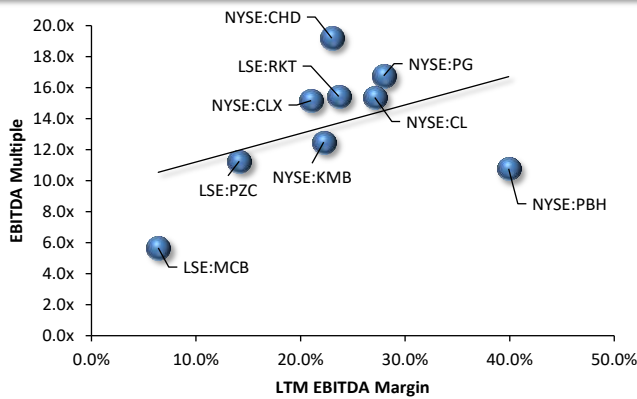
### 3-Yr Revenue CAGR vs. EBITDA Multiple



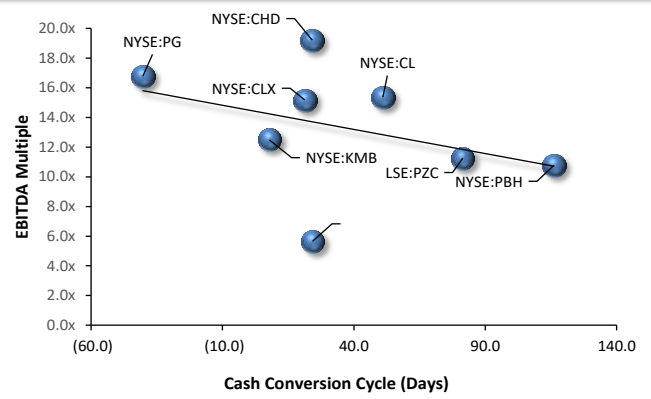
### 3-Yr EBITDA CAGR vs. EBITDA Multiple



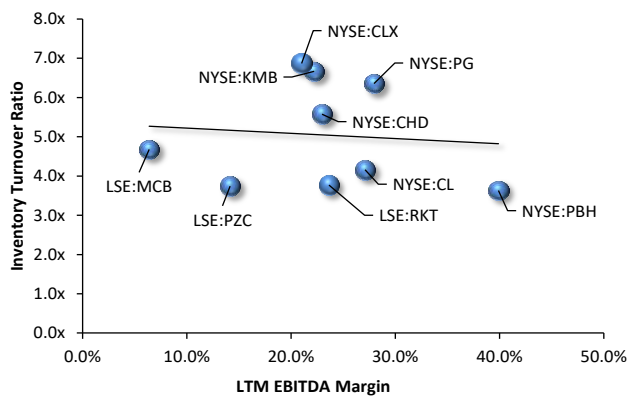
### EBITDA Margin vs. EBITDA Multiple



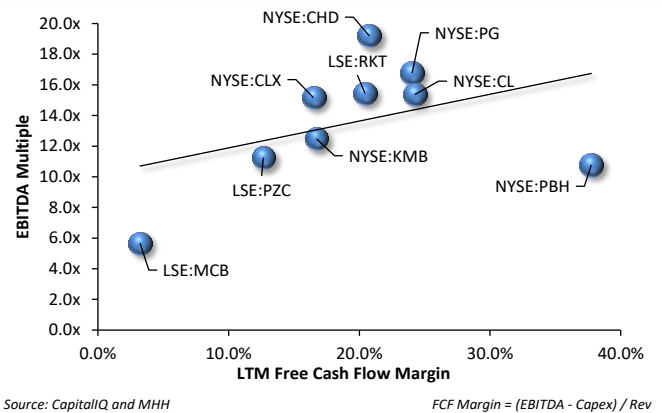
### Cash Conversion Cycle vs. EBITDA Multiple



### EBITDA Margin vs. Inventory Turn Ratio



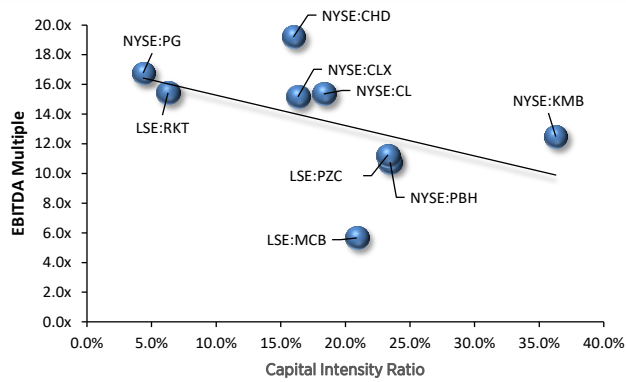
### Free Cash Flow Margin vs. EBITDA Multiple



## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers

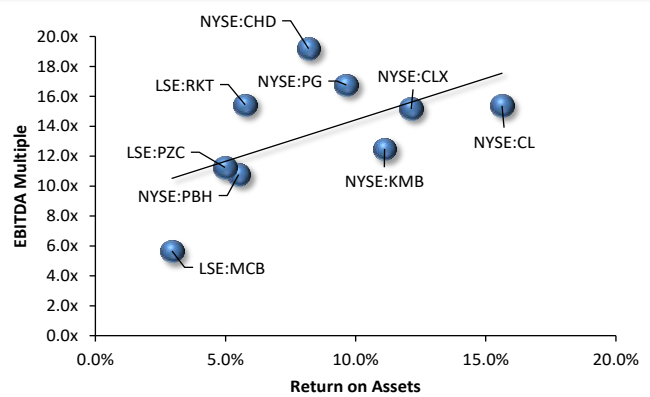
### Capital Intensity vs. EBITDA Multiple



Source: CapitalIQ and MHH

Capital Intensity = (NWC - Cash + PP&E) / Revenue

### Return on Assets vs. EBITDA Multiple



Source: CapitalIQ and MHH

## Selected M&A Transactions: 09/01/21 - 09/30/21

*No Selected Transactions for the Month of September*

## Selected News Announcements

**The Clorox Company (NYSE:CLX)** declared a quarterly cash dividend payable **November 10, 2021**

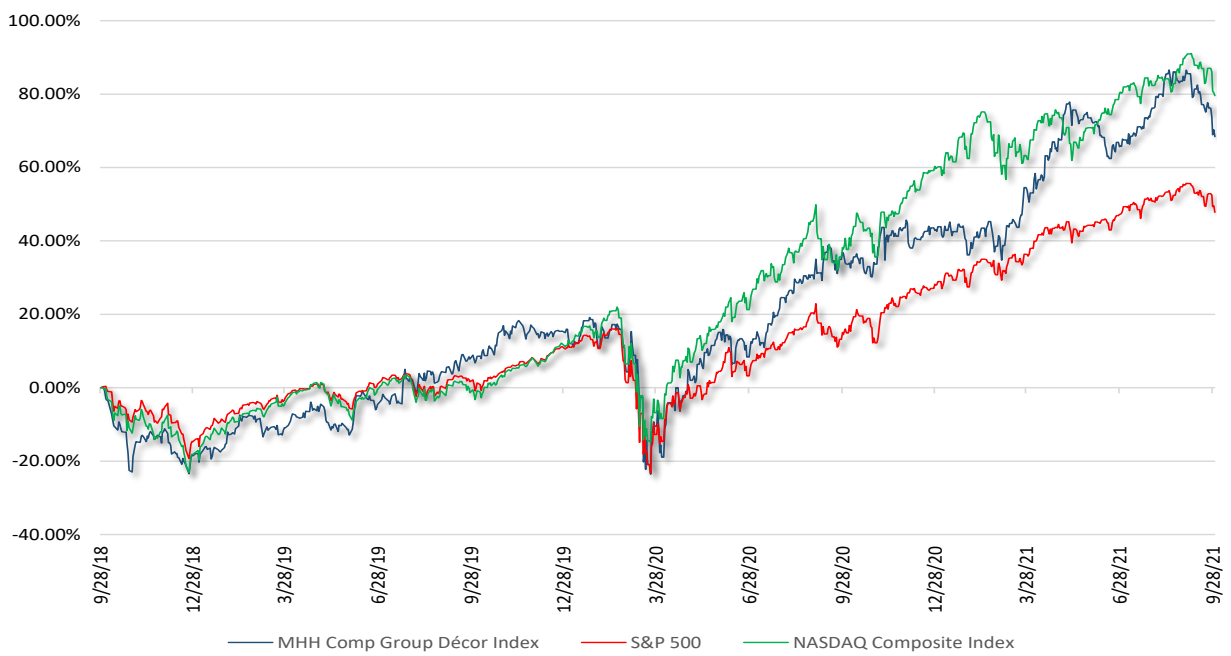
**Kimberly-Clark Corporation (NYSE:KMB)** has appointed **Deirdre Mahlan** and **Jaime Ramirez** to its **Board of Directors**

**Colgate-Palmolive Company (NYSE:CL)** declared a quarterly cash dividend payable **November 15, 2021**

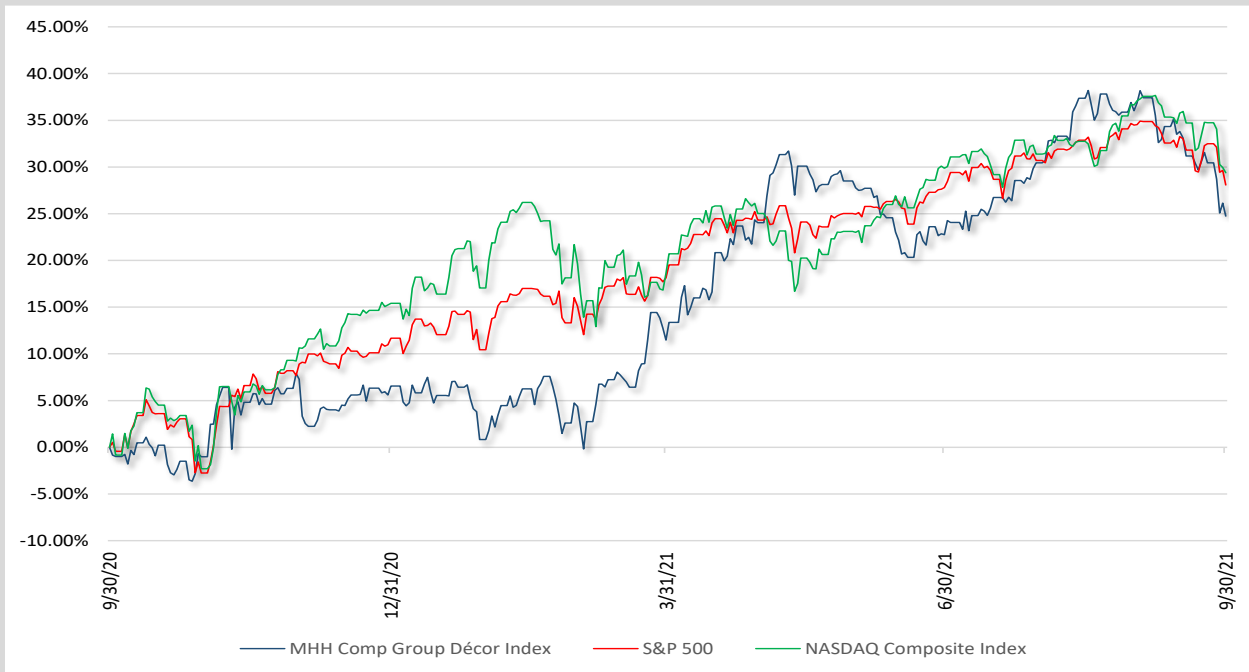
**The Procter & Gamble Company (NYSE:PG)** has appointed **Carolyn Tastad** to the position of **CEO** of its **Global Health Care Business**

## Comparative Index Performance (Three-year and One-year)

### Last Three Years



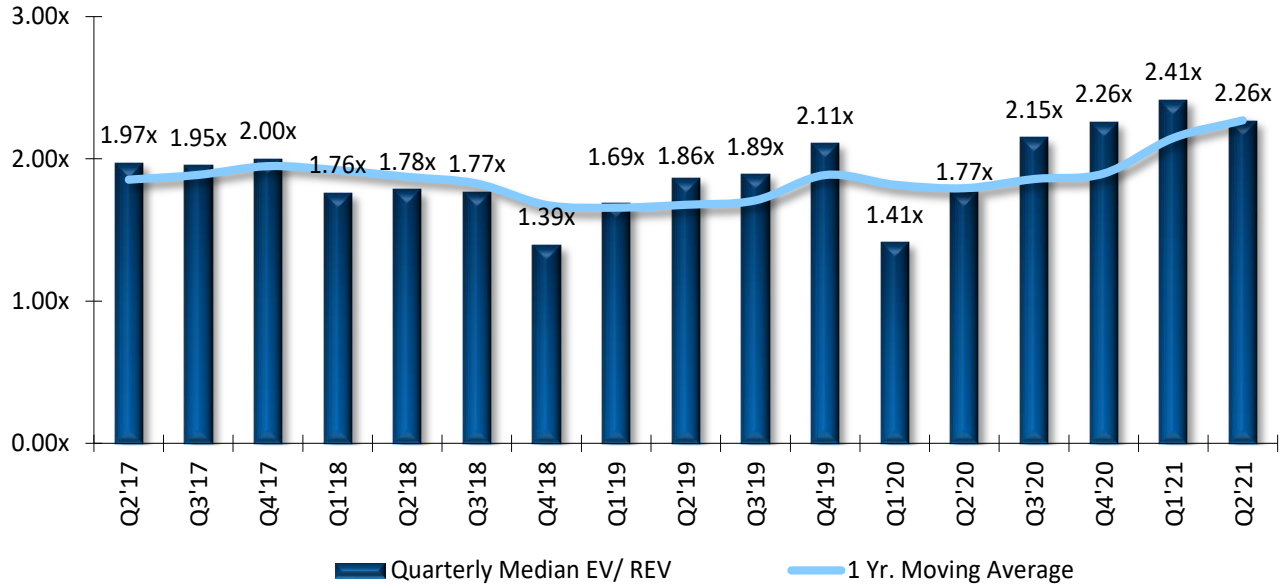
### Last Twelve Months



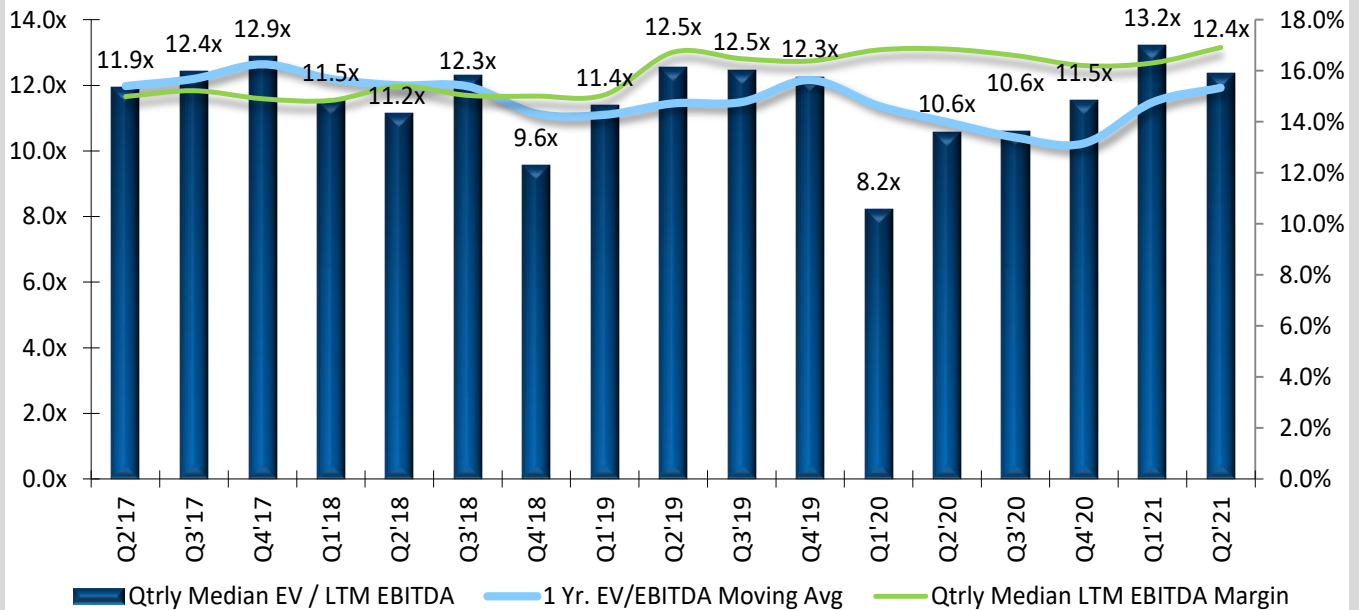
Source: CapitalIQ

## Valuation Trend

### Enterprise Value/LTM Revenue



### Enterprise Value/LTM EBITDA

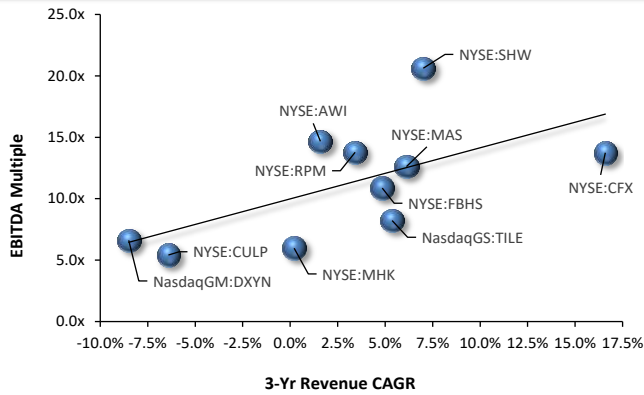


Source: CapitalIQ

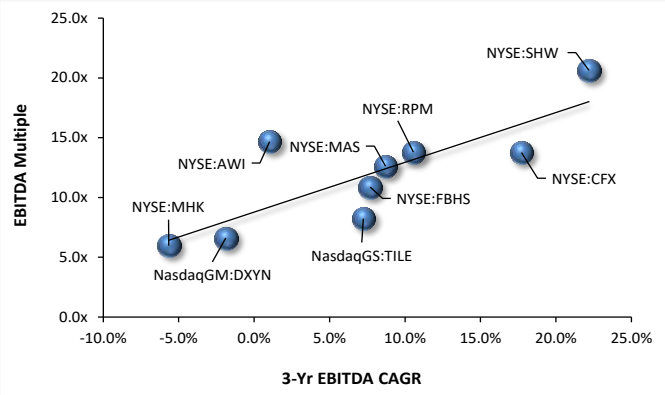
## Valuation and Operating Performance Matrices

Graphs adjusted to eliminate statistical outliers.

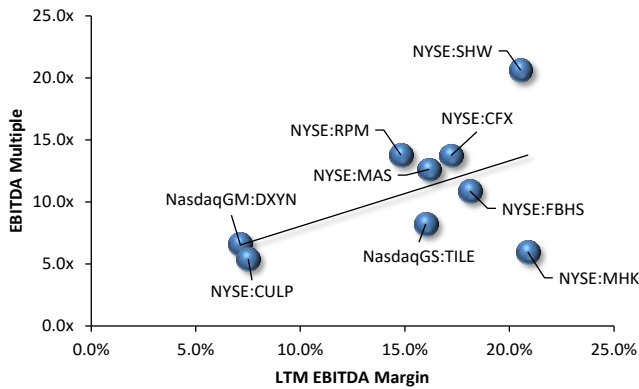
### 3-Yr Revenue CAGR vs. EBITDA Multiple



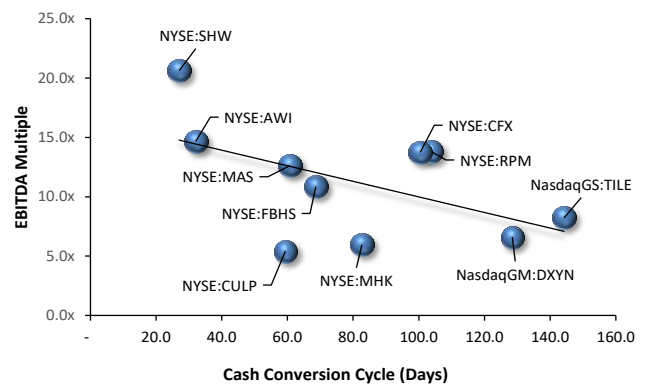
### 3-Yr EBITDA CAGR vs. EBITDA Multiple



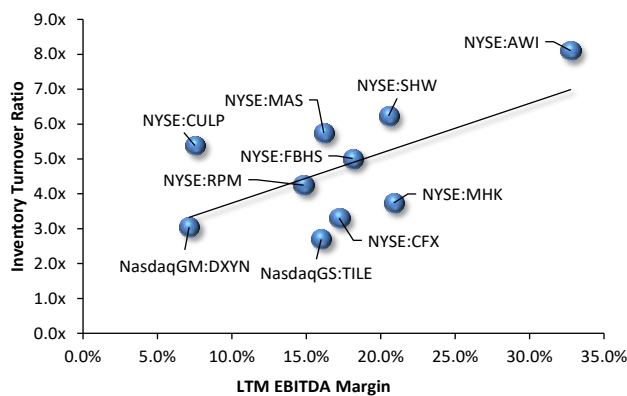
### EBITDA Margin vs. EBITDA Multiple



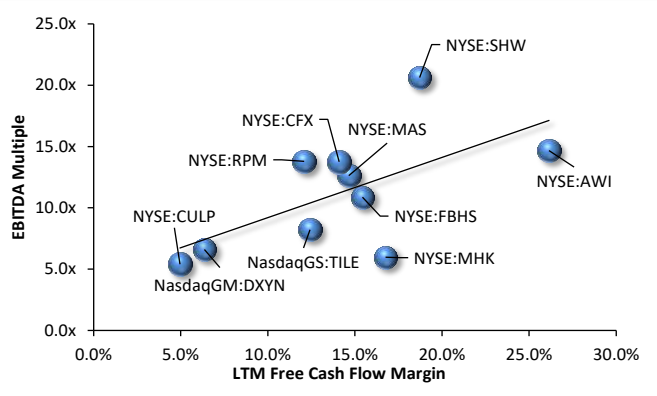
### Cash Conversion Cycle vs. EBITDA Multiple



### EBITDA Margin vs. Inventory Turn Ratio



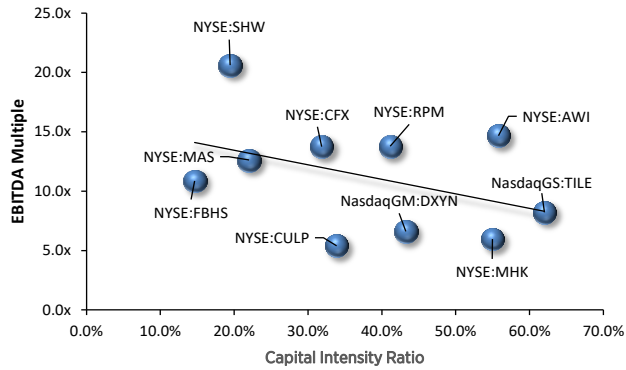
### Free Cash Flow Margin vs. EBITDA Multiple



## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers.

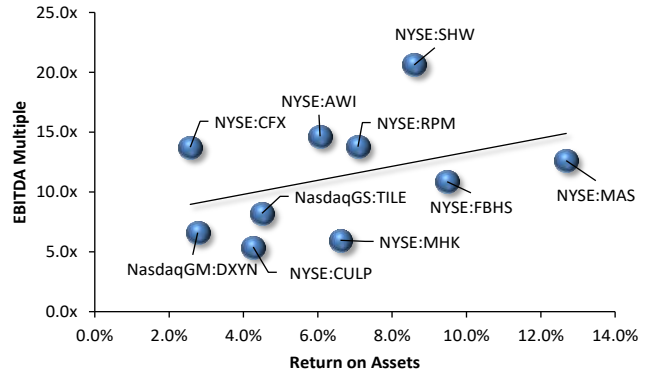
Capital Intensity vs. EBITDA Multiple



Source: CapitalIQ and MHH

Capital Intensity = (NWC - Cash + PP&E) / Revenue

Return on Assets vs. EBITDA Multiple



Source: CapitalIQ and MHH

## Selected M&A Transactions: 09/01/21 - 09/30/21

Announced	Target	Target Description	Acquirer	Value
09/28/21	Specialty Polymers, Inc.	Offers emulsion polymers for the painting and coatings industry	The Sherwin-Williams Company (NYSE:SHW)	ND

ND – Not disclosed. Transaction values in millions.

## Selected News Announcements

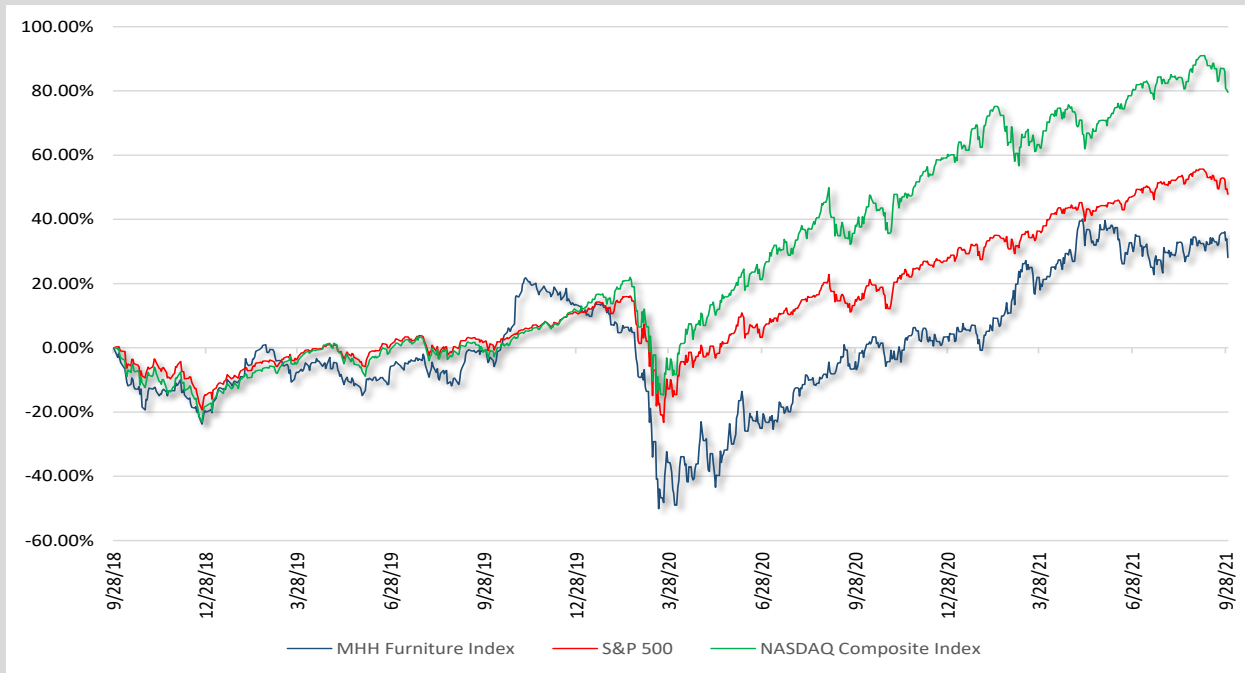
Culp, Inc. (NYSE:CULP) has appointed John A. Baugh, Kimberly B. Gatling, and Jonathan L. Kelly to its Board of Directors

Fortune Brands Home & Security, Inc. (NYSE:FBHS) declared a quarterly cash dividend payable **December 15, 2021**

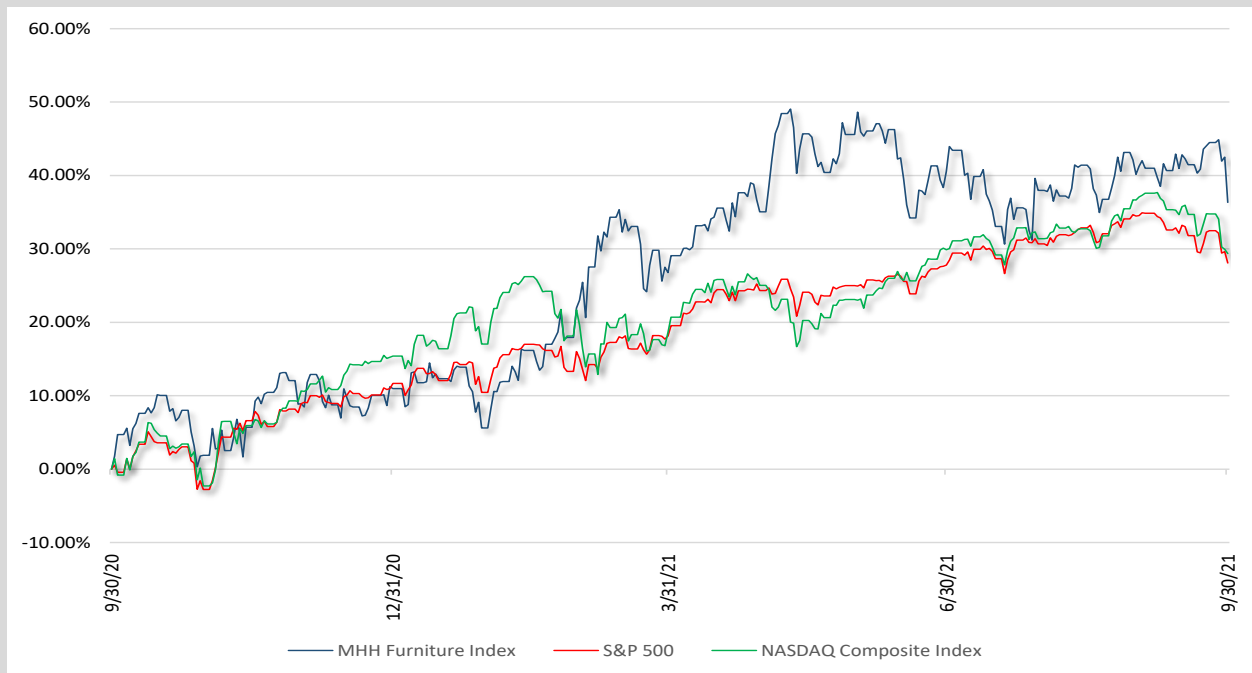
Culp, Inc. (NYSE:CULP) declared a quarterly cash dividend payable **October 18, 2021**

## Comparative Index Performance (Three-year and One-year)

### Last Three Years

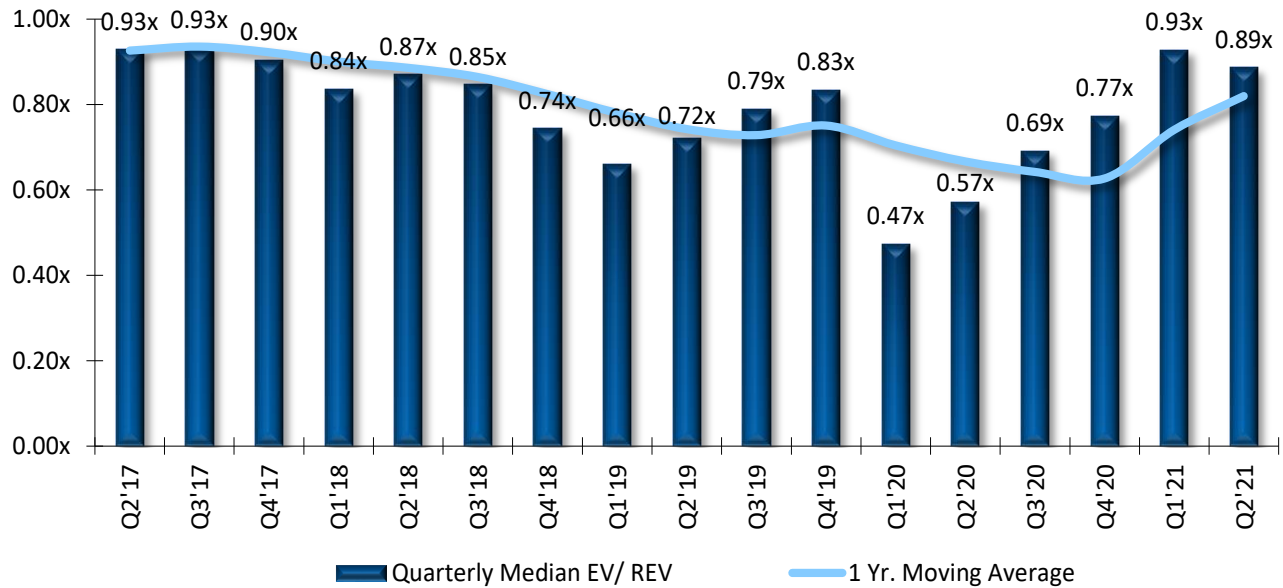
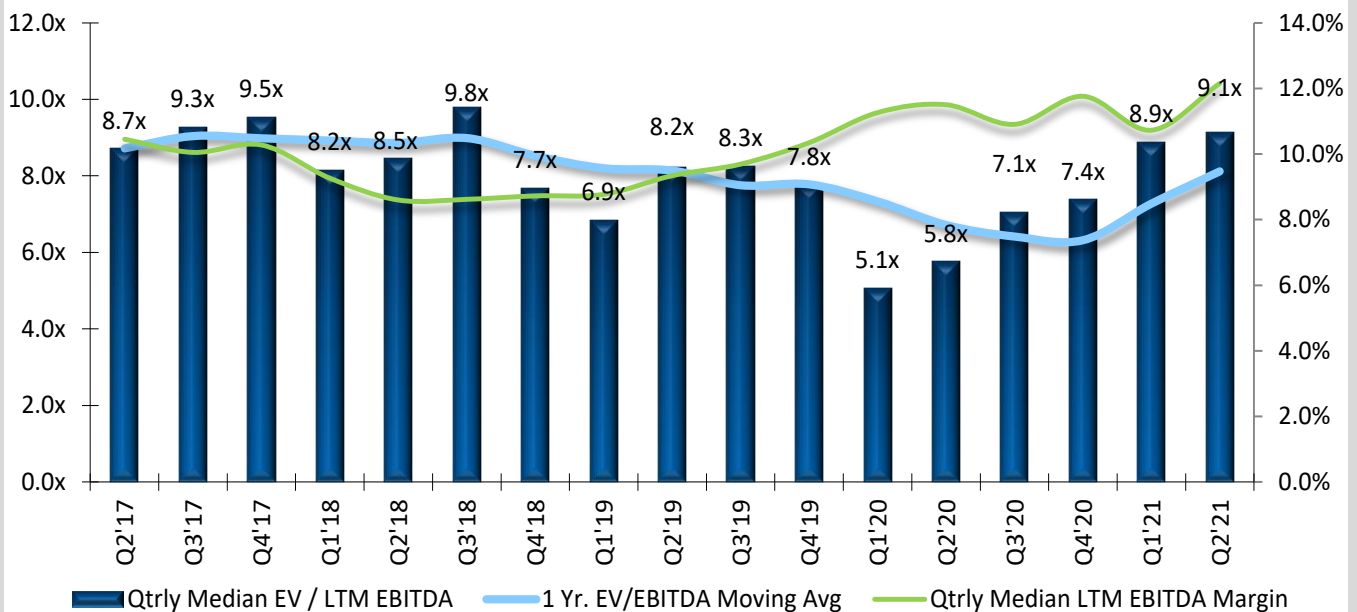


### Last Twelve Months



Source: CapitalIQ

## Valuation Trend

Enterprise Value/LTM RevenueEnterprise Value/LTM EBITDA

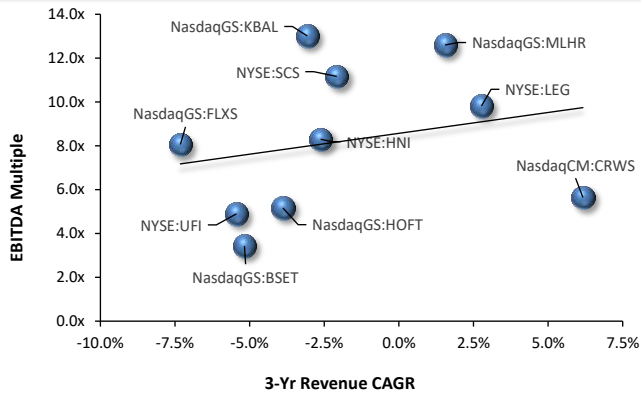
Source: CapitalIQ



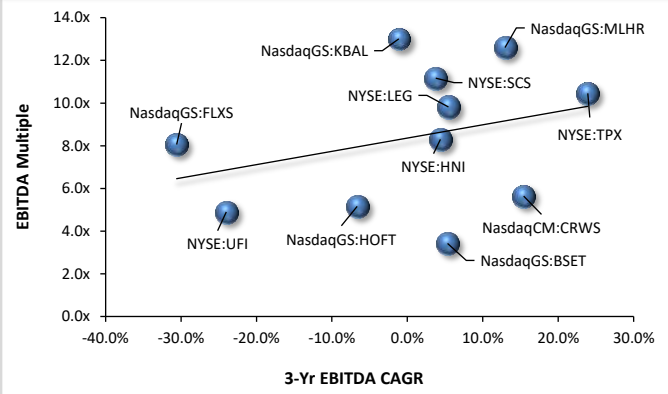
## Valuation and Operating Performance Matrices

Graphs adjusted to eliminate statistical outliers.

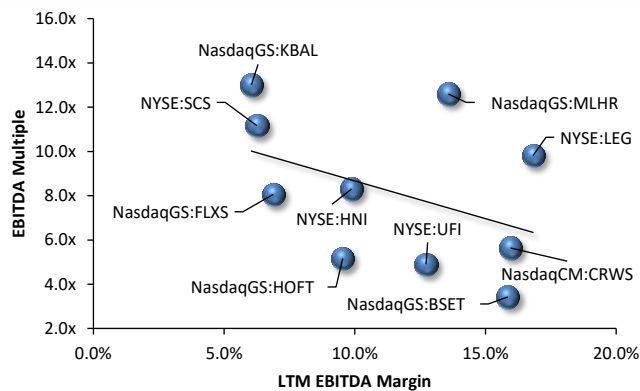
### 3-Yr Revenue CAGR vs. EBITDA Multiple



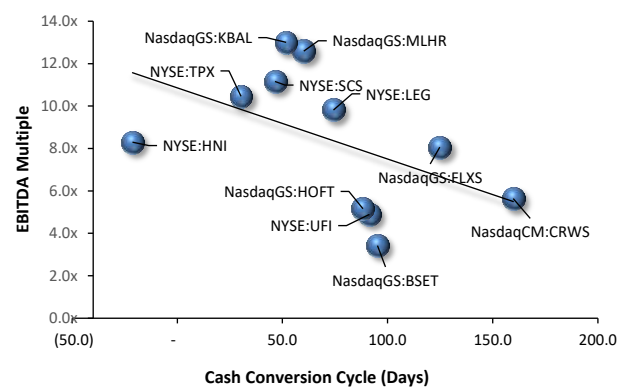
### 3-Yr EBITDA CAGR vs. EBITDA Multiple



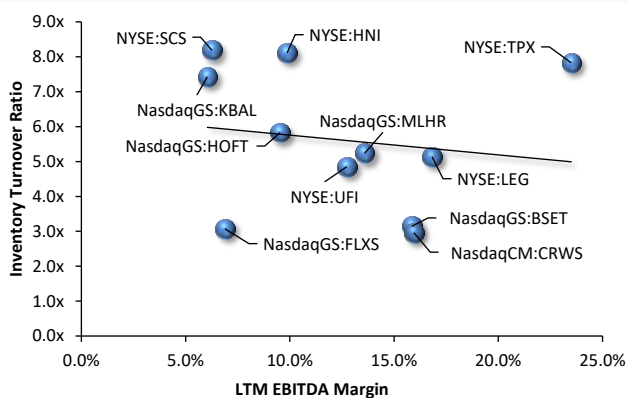
### EBITDA Margin vs. EBITDA Multiple



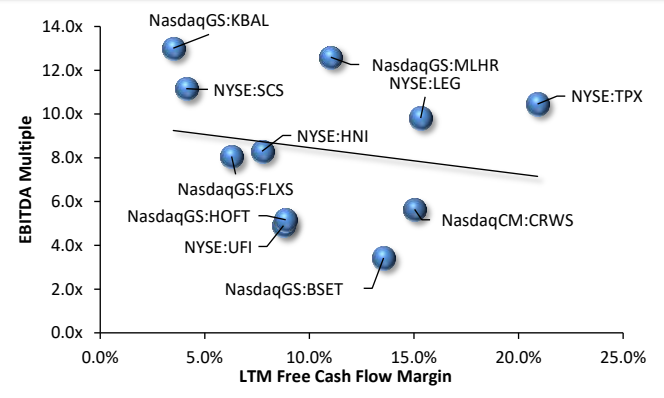
### Cash Conversion Cycle vs. EBITDA Multiple



### EBITDA Margin vs. Inventory Turn Ratio



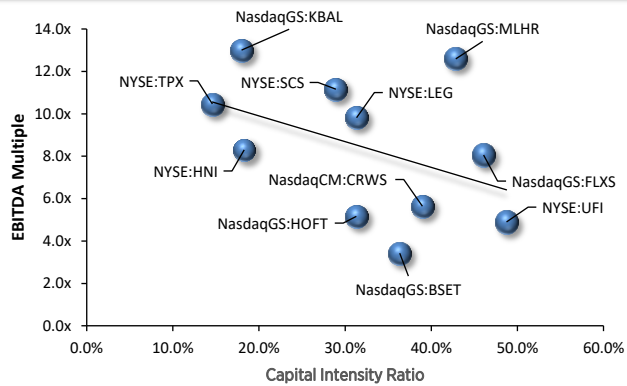
### Free Cash Flow Margin vs. EBITDA Multiple



## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers.

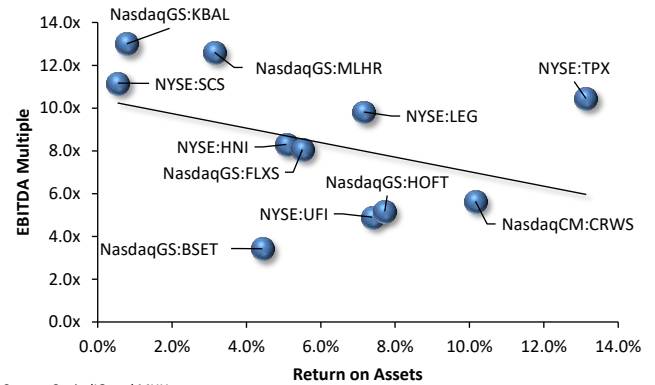
## Capital Intensity vs. EBITDA Multiple



Source: CapitalIQ and MHH

Capital Intensity =  $(NWC - Cash + PP\&E) / Revenue$

## Return on Assets vs. EBITDA Multiple



Source: CapitalIQ and MHH

## Selected M&amp;A Transactions: 09/01/21 - 09/30/21

*No Selected Transactions for the Month of September*

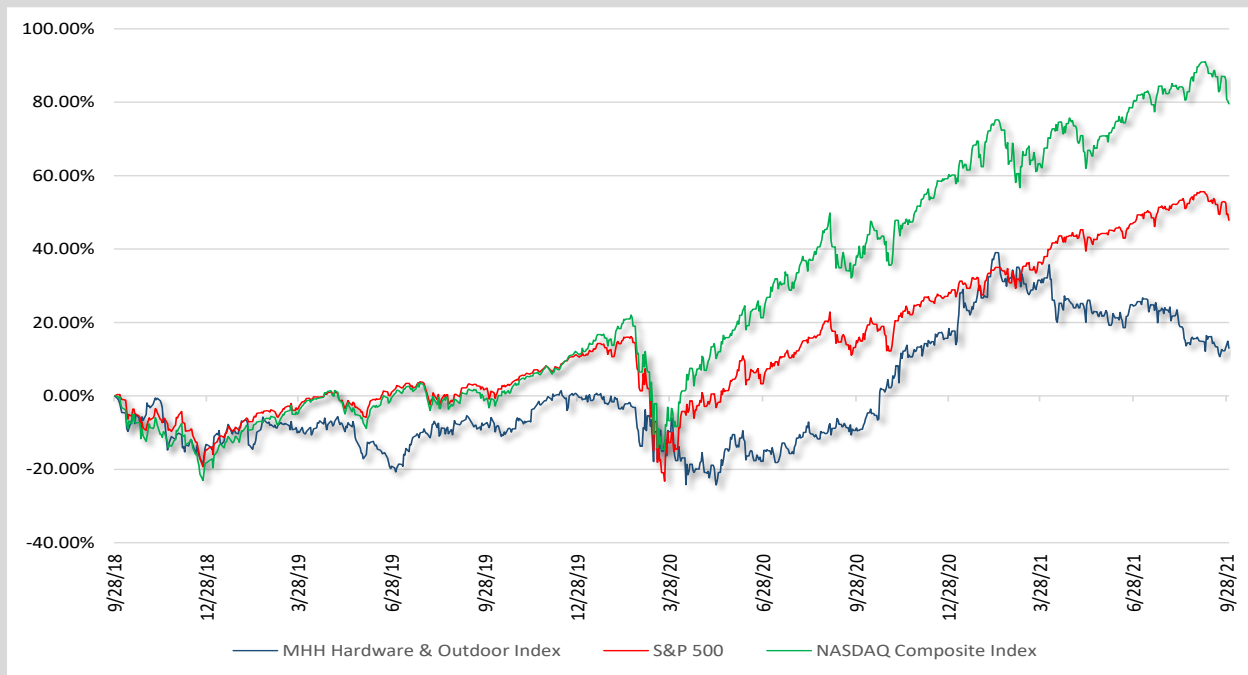
## Selected News Announcements

**Flexsteel Industries, Inc. (NasdaqGS:FLXS)** declared a quarterly cash dividend payable **October 4, 2021**

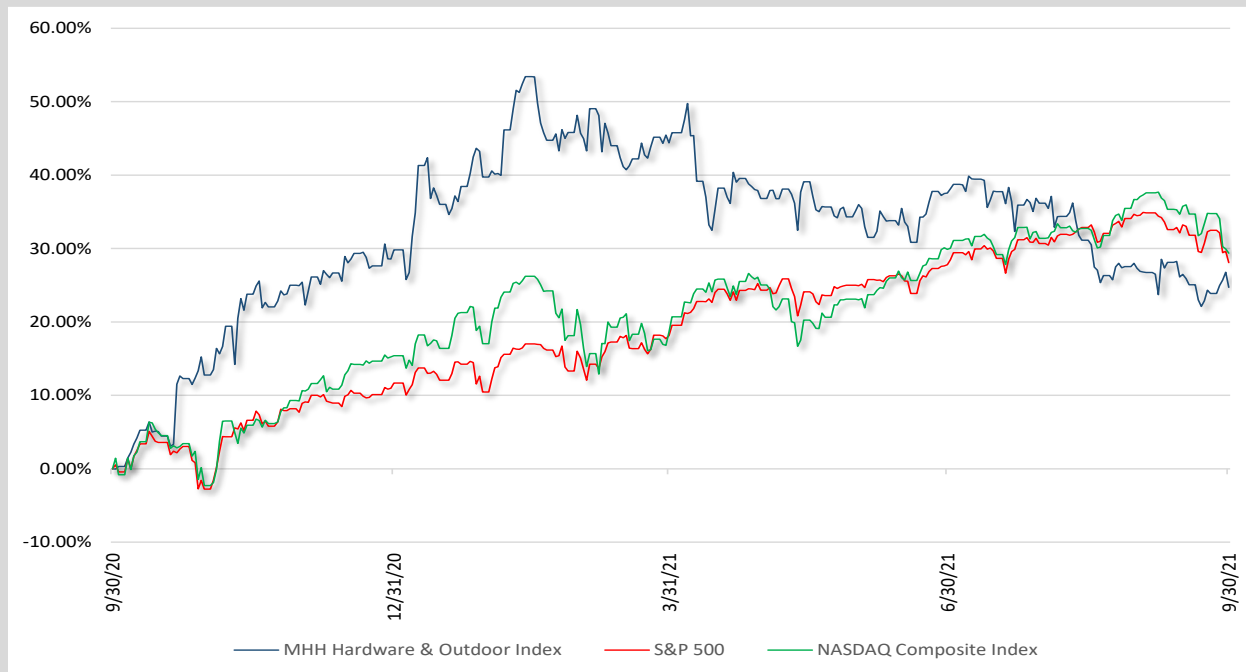
**Hooker Furnishings Corporation (NasdaqGS:HOFT)** declared a quarterly cash dividend payable **September 30, 2021**

## Comparative Index Performance (Three-year and One-year)

### Last Three Years



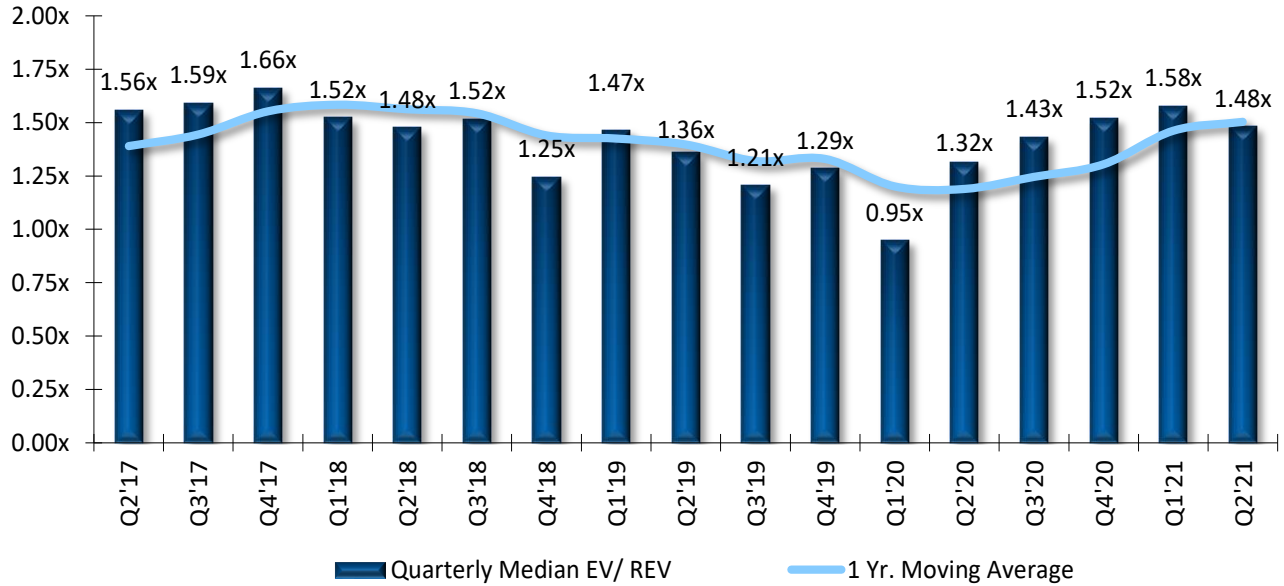
### Last Twelve Months



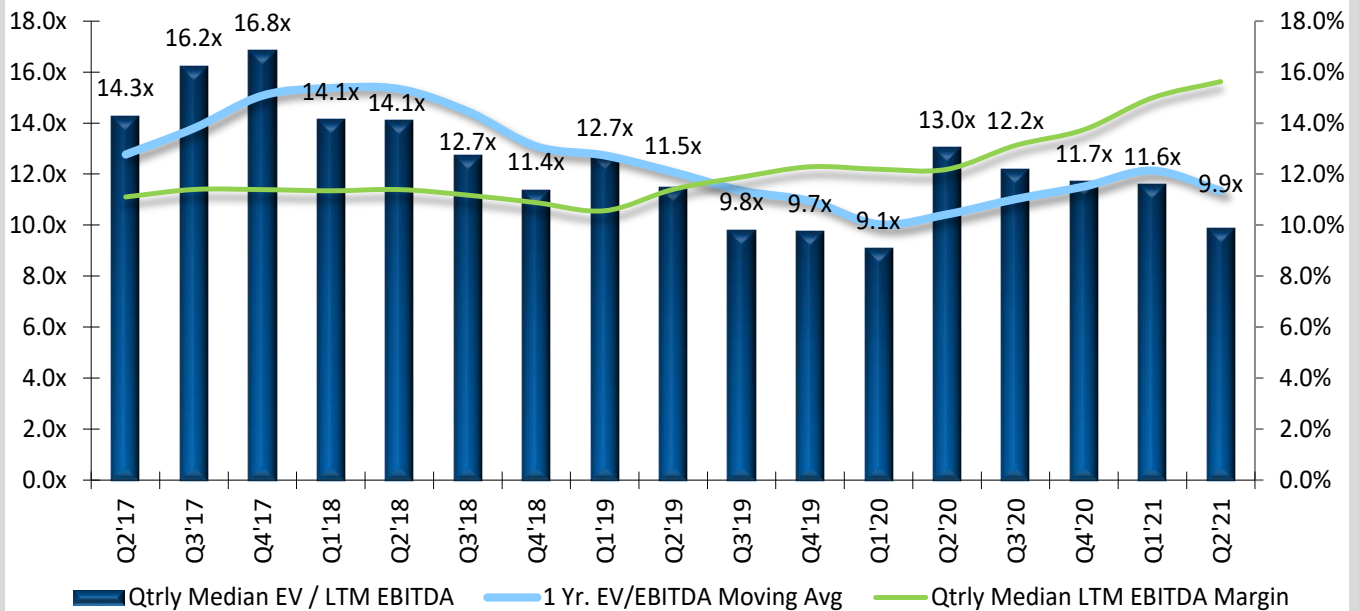
Source: CapitalIQ

## Valuation Trend

### Enterprise Value/LTM Revenue



### Enterprise Value/LTM EBITDA

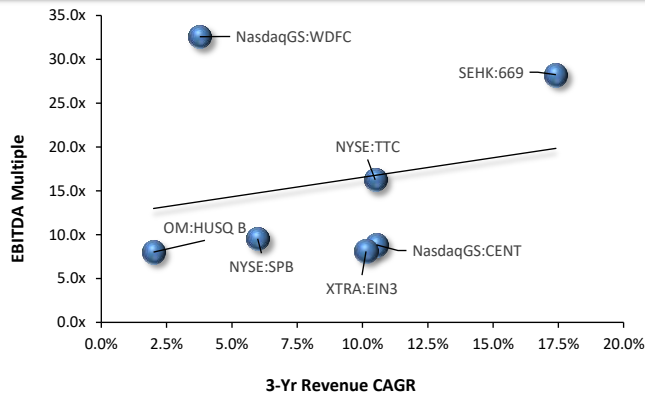


Source: CapitalIQ

## Valuation and Operating Performance Matrices

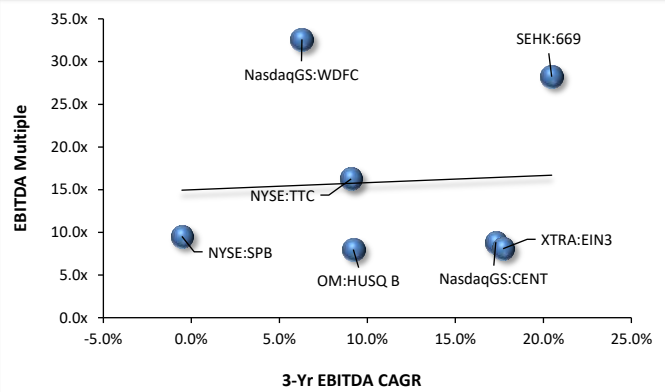
Graphs adjusted to eliminate statistical outliers.

### 3-Yr Revenue CAGR vs. EBITDA Multiple



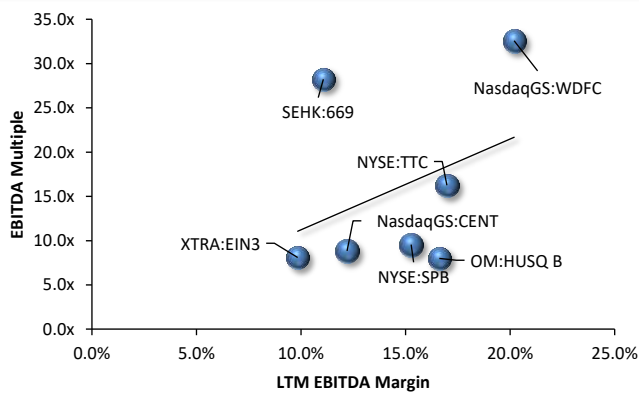
Source: CapitalIQ and MHH

### 3-Yr EBITDA CAGR vs. EBITDA Multiple



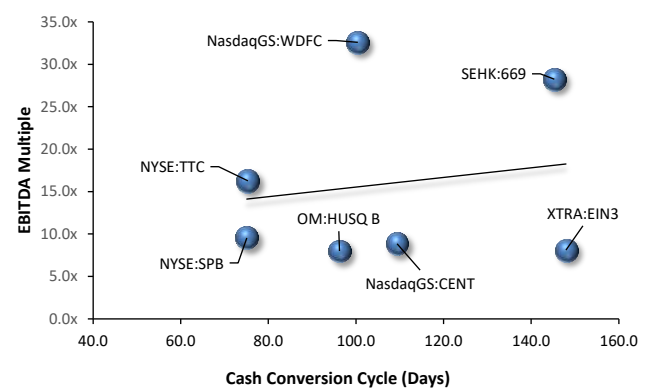
Source: CapitalIQ and MHH

### EBITDA Margin vs. EBITDA Multiple



Source: CapitalIQ and MHH

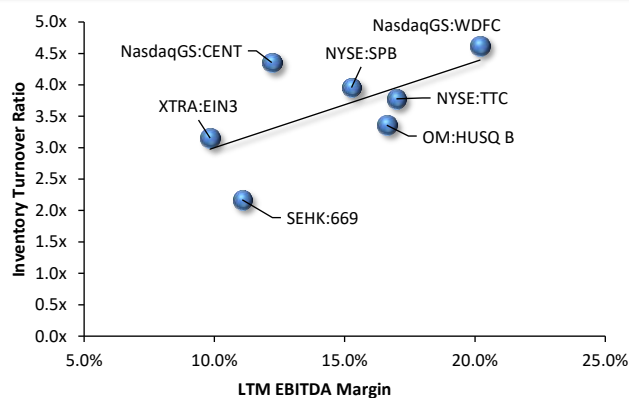
### Cash Conversion Cycle vs. EBITDA Multiple



Source: CapitalIQ and MHH

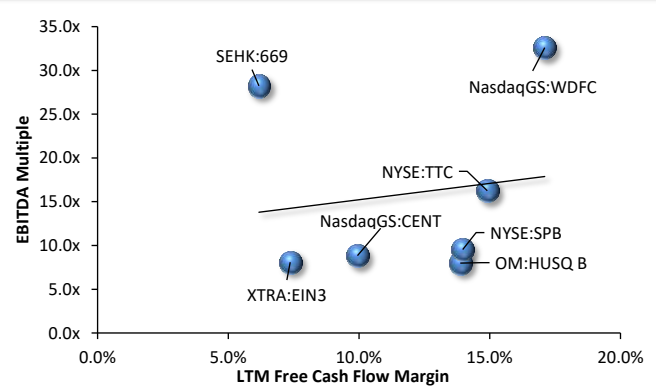
CCC = DIO + DRO + DPO

### EBITDA Margin vs. Inventory Turn Ratio



Source: CapitalIQ and MHH

### Free Cash Flow Margin vs. EBITDA Multiple



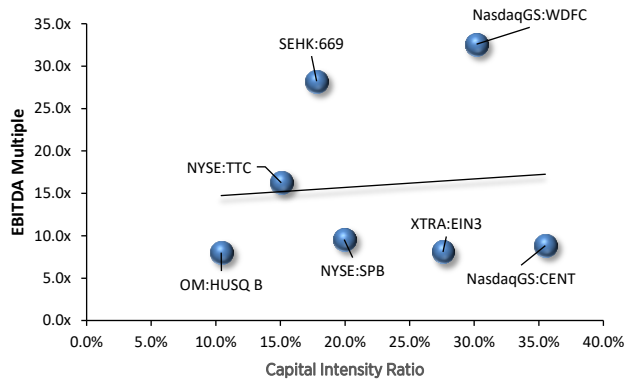
Source: CapitalIQ and MHH

FCF Margin = (EBITDA - Capex) / Rev

## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers.

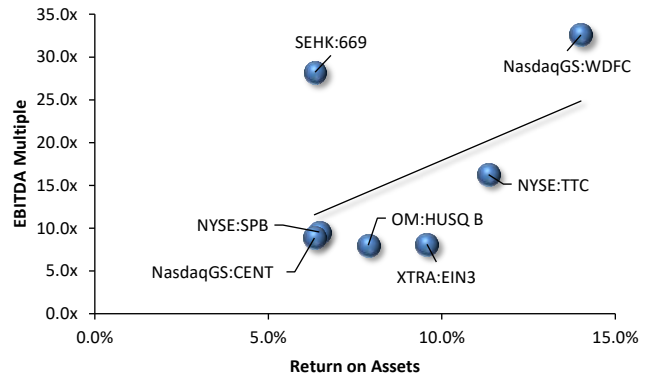
### Capital Intensity vs. EBITDA Multiple



Source: CapitalIQ and MHH

Capital Intensity = (NWC - Cash + PP&E) / Revenue

### Return on Assets vs. EBITDA Multiple



Source: CapitalIQ and MHH

## Selected M&A Transactions: 09/01/21 - 09/30/21

Announced	Target	Target Description	Acquirer	Value
08/11/21	Hardware and Home Improvement Business of Spectrum Brands Holdings, Inc.	Comprises hardware and home improvement manufacturing business unit	ASSA ABLOY AB (publ) (OM:ASSA B)	\$4,300.0

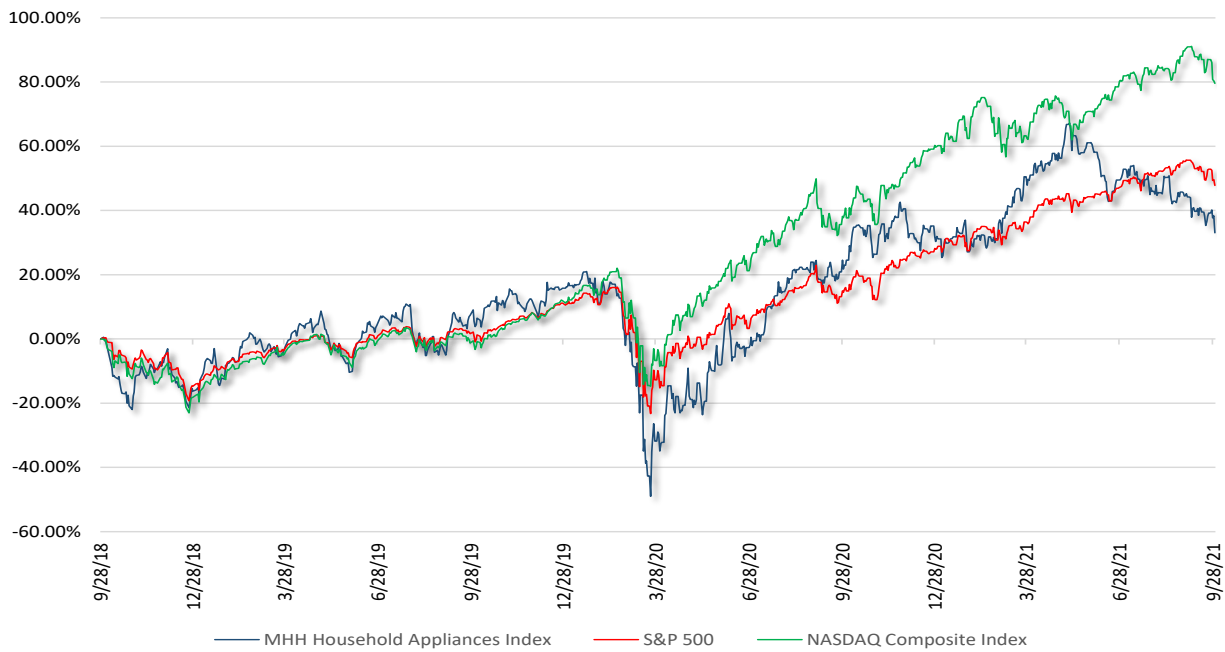
ND – Not disclosed. Transaction values in millions.

## Selected News Announcements

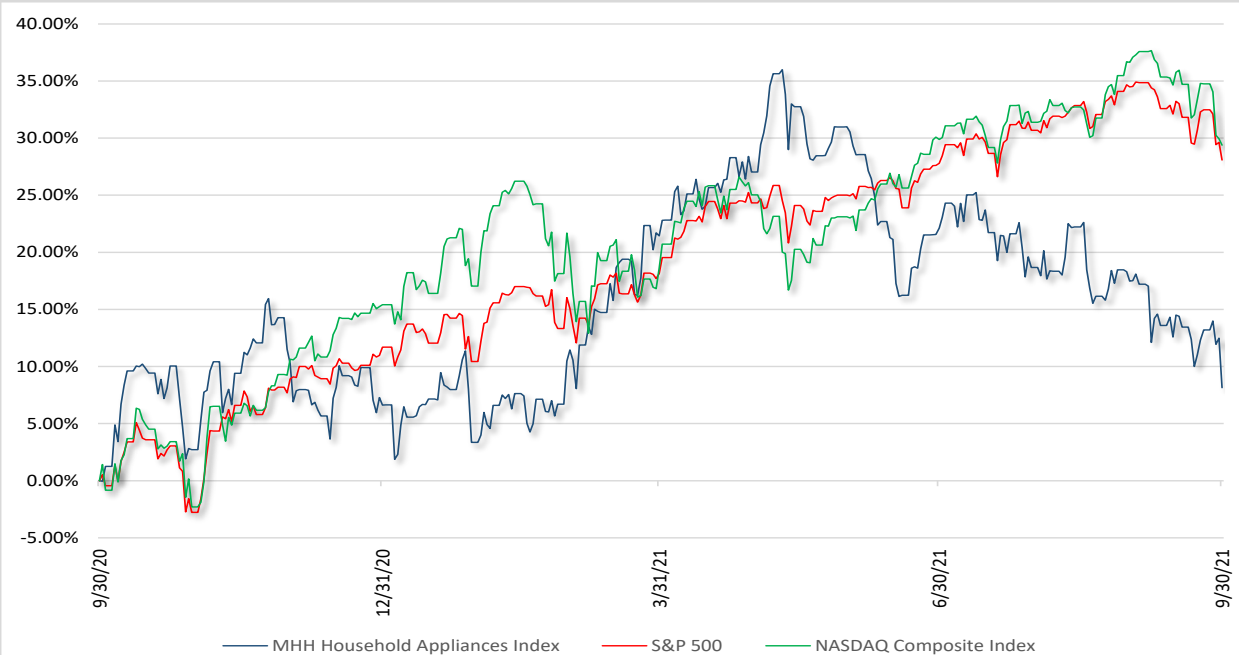
The Toro Company (NYSE:TTC) declared a quarterly cash dividend payable **October 21, 2021**

## Comparative Index Performance (Three-year and One-year)

### Last Three Years



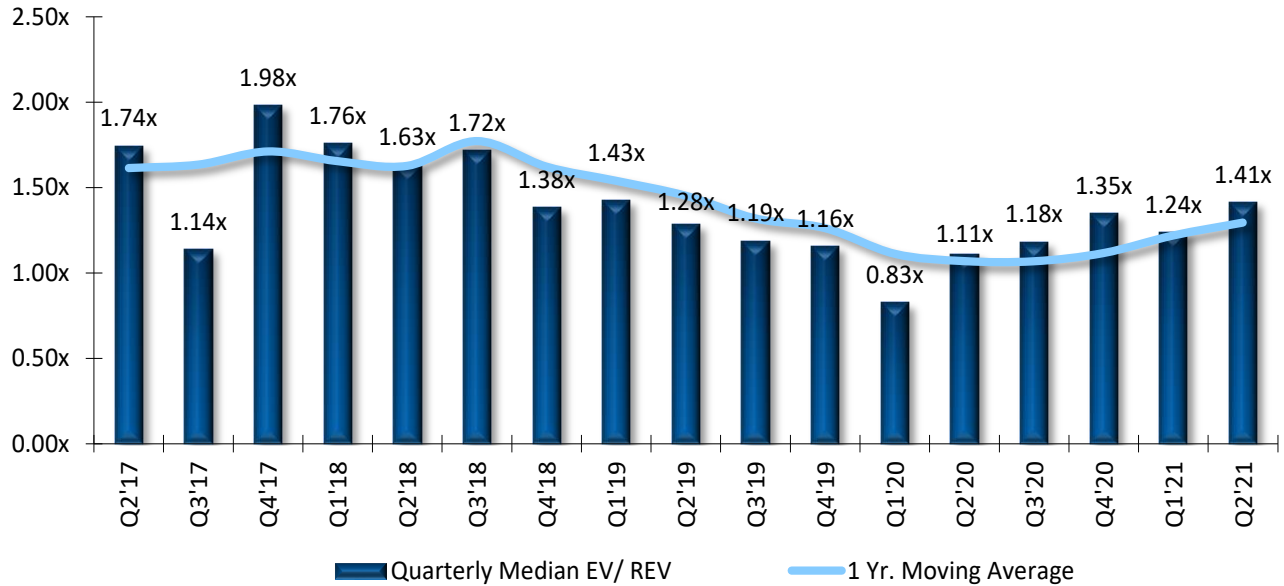
### Last Twelve Months



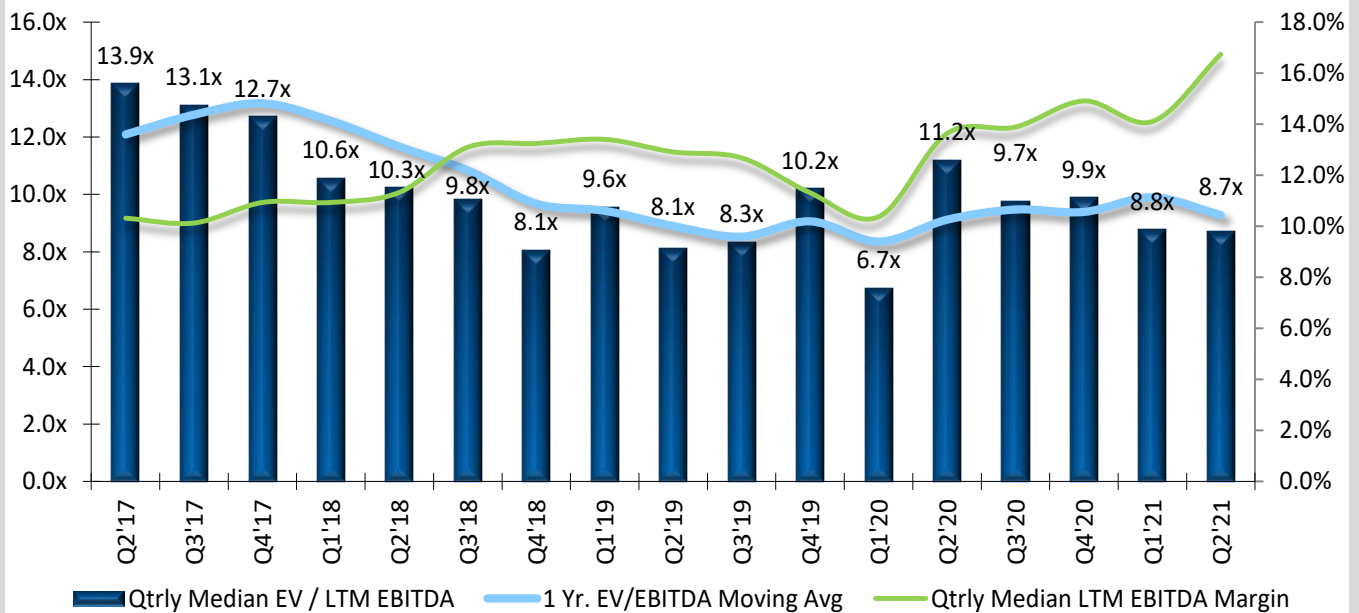
Source: CapitalIQ

## Valuation Trend

### Enterprise Value/LTM Revenue



### Enterprise Value/LTM EBITDA



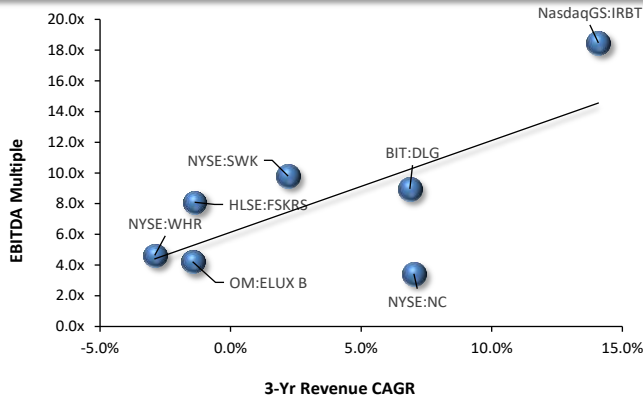
Source: CapitalIQ



## Valuation and Operating Performance Matrices

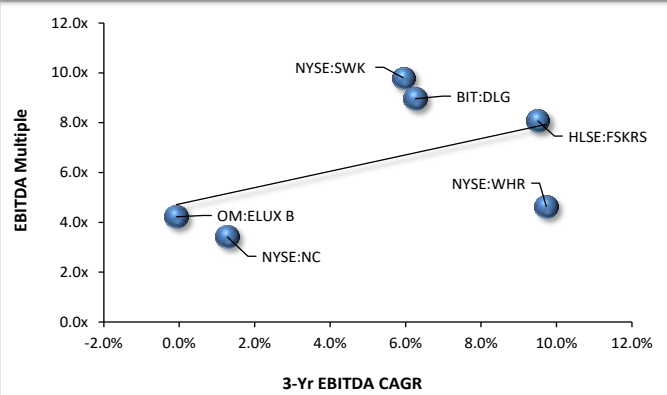
Graphs adjusted to eliminate statistical outliers.

3-Yr Revenue CAGR vs. EBITDA Multiple



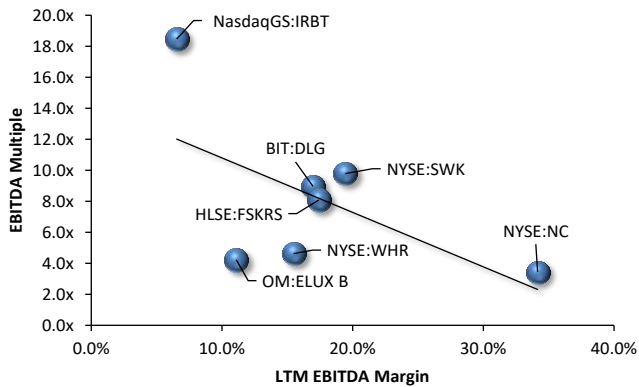
Source: CapitalIQ and MHH

3-Yr EBITDA CAGR vs. EBITDA Multiple



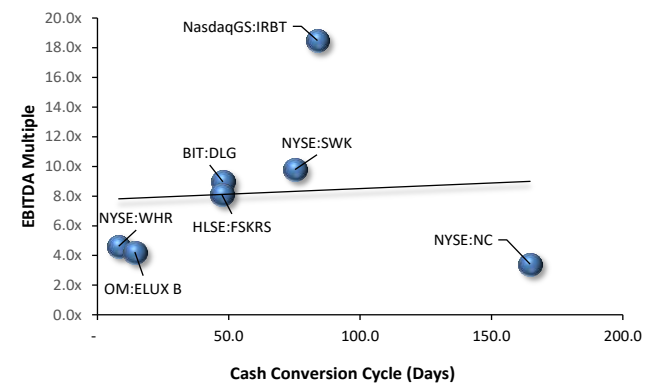
Source: CapitalIQ and MHH

EBITDA Margin vs. EBITDA Multiple



Source: CapitalIQ and MHH

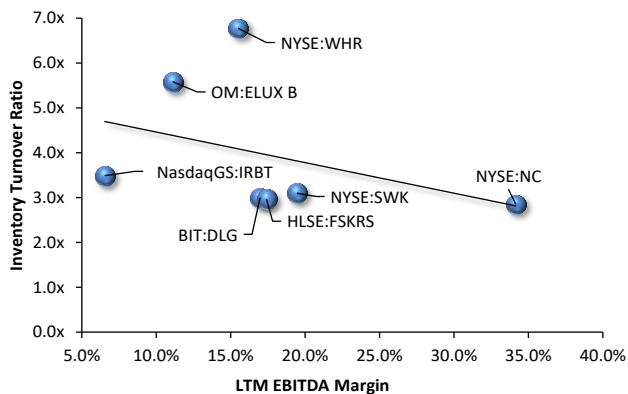
Cash Conversion Cycle vs. EBITDA Multiple



Source: CapitalIQ and MHH

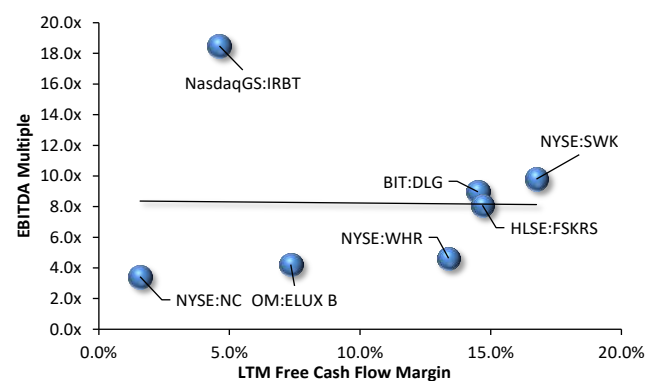
CCC = DIO + DRO + DPO

EBITDA Margin vs. Inventory Turn Ratio



Source: CapitalIQ and MHH

Free Cash Flow Margin vs. EBITDA Multiple



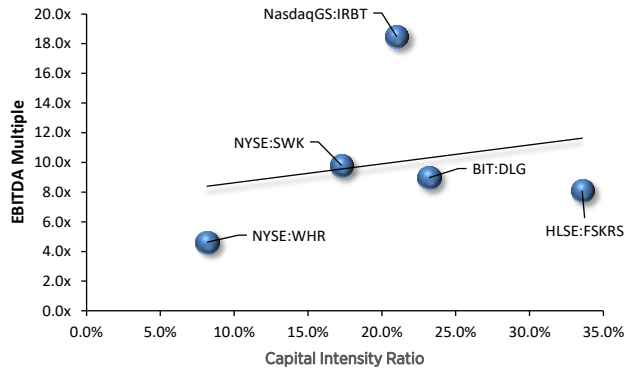
Source: CapitalIQ and MHH

FCF Margin = (EBITDA - Capex) / Rev

## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers.

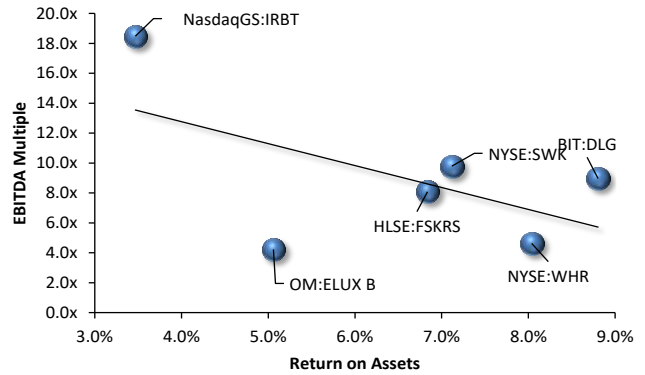
Capital Intensity vs. EBITDA Multiple



Source: CapitalIQ and MHH

Capital Intensity = (NWC - Cash + PP&E) / Revenue

Return on Assets vs. EBITDA Multiple



Source: CapitalIQ and MHH

## Selected M&amp;A Transactions: 09/01/21 - 09/30/21

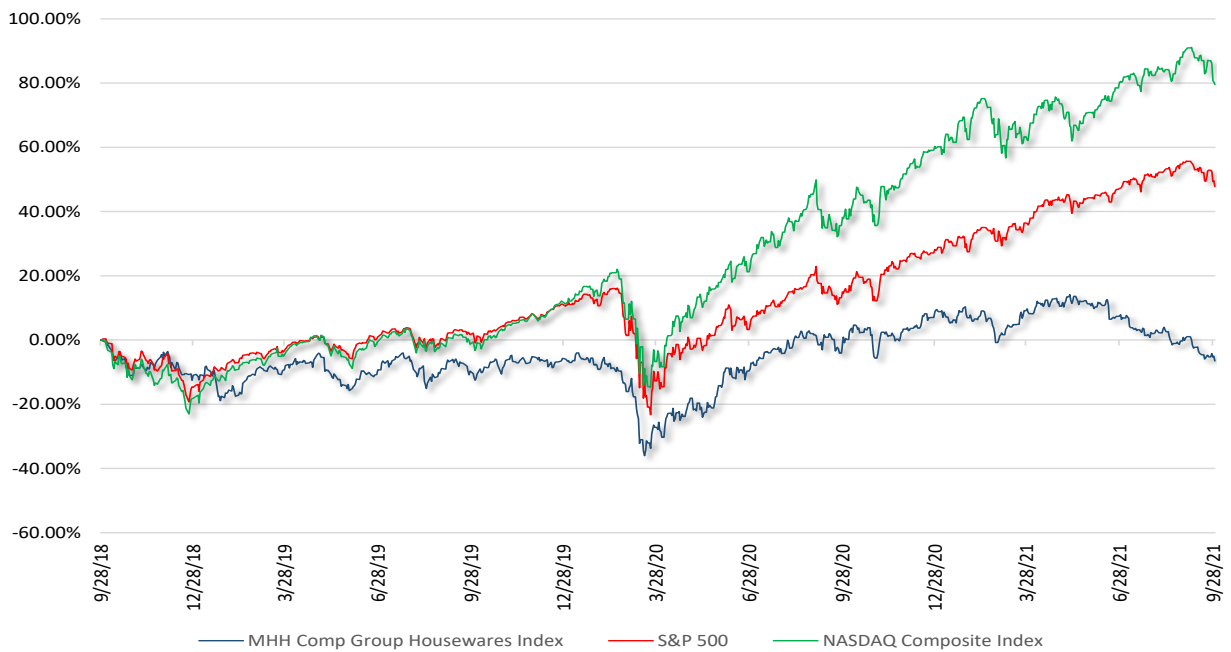
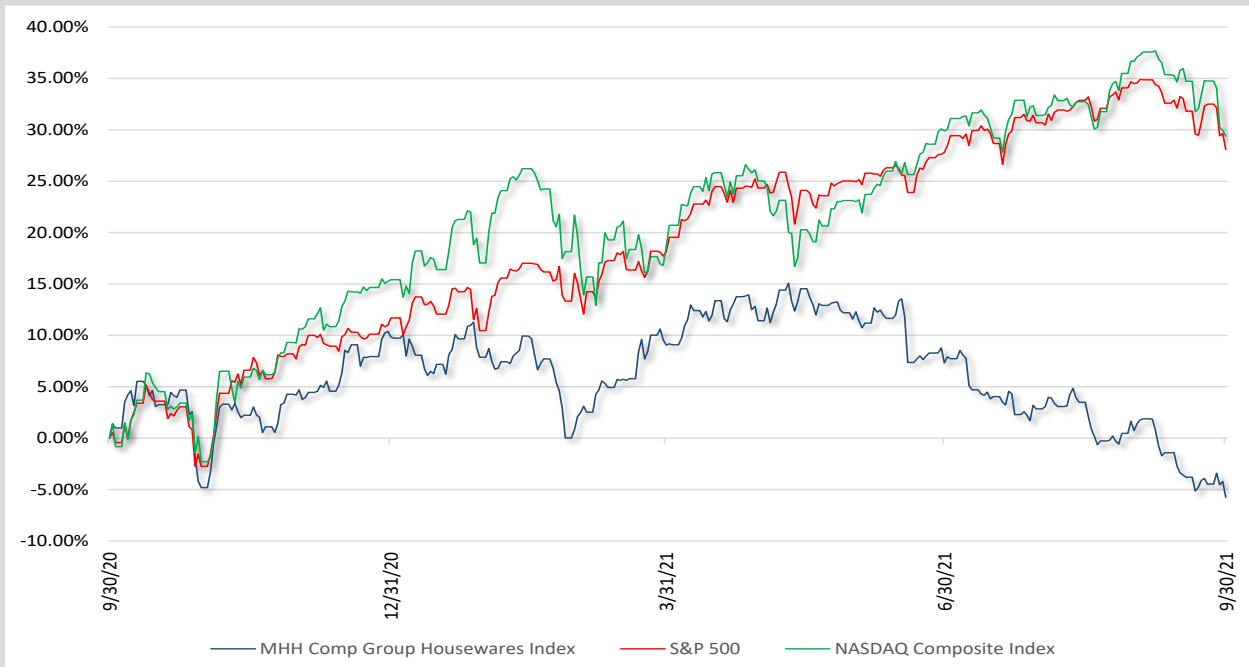
Announced	Target	Target Description	Acquirer	Value
09/27/21	Elica PB India Private Limited	Offers household appliances repairs services	Whirlpool of India Limited (BSE:500238)	\$57.5
09/13/2021	Excel Industries Inc.	Manufactures and distributes outdoor commercial and residential turf power equipment solutions	Stanley Black & Decker, Inc. (NYSE:SWK)	\$375.0

ND – Not disclosed. Transaction values in millions.

## Selected News Announcements

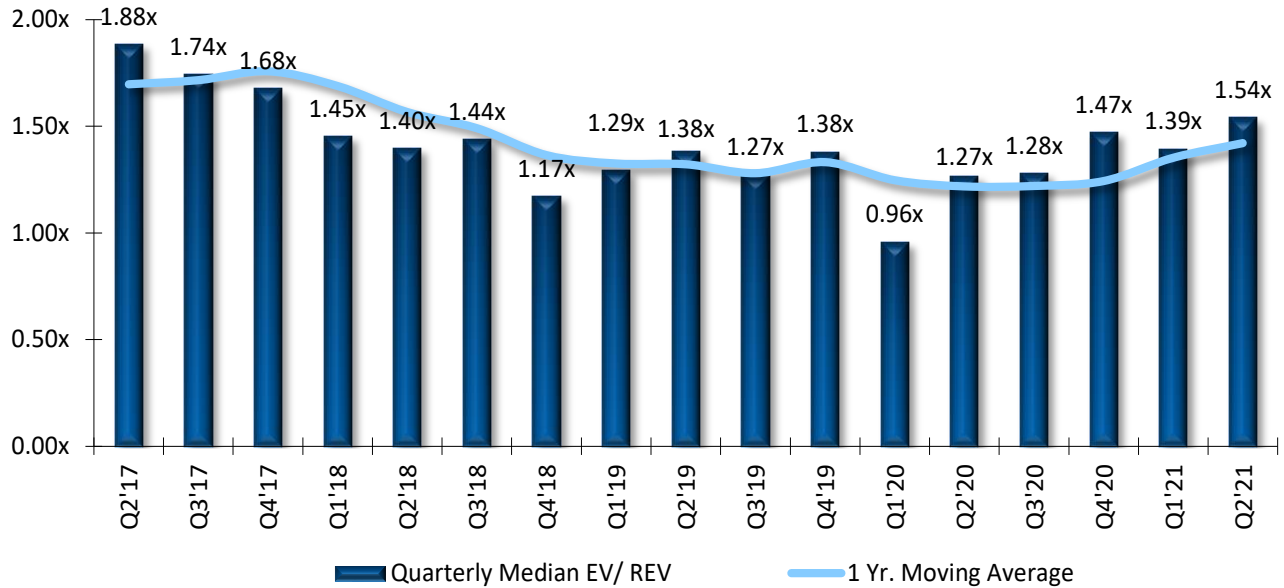
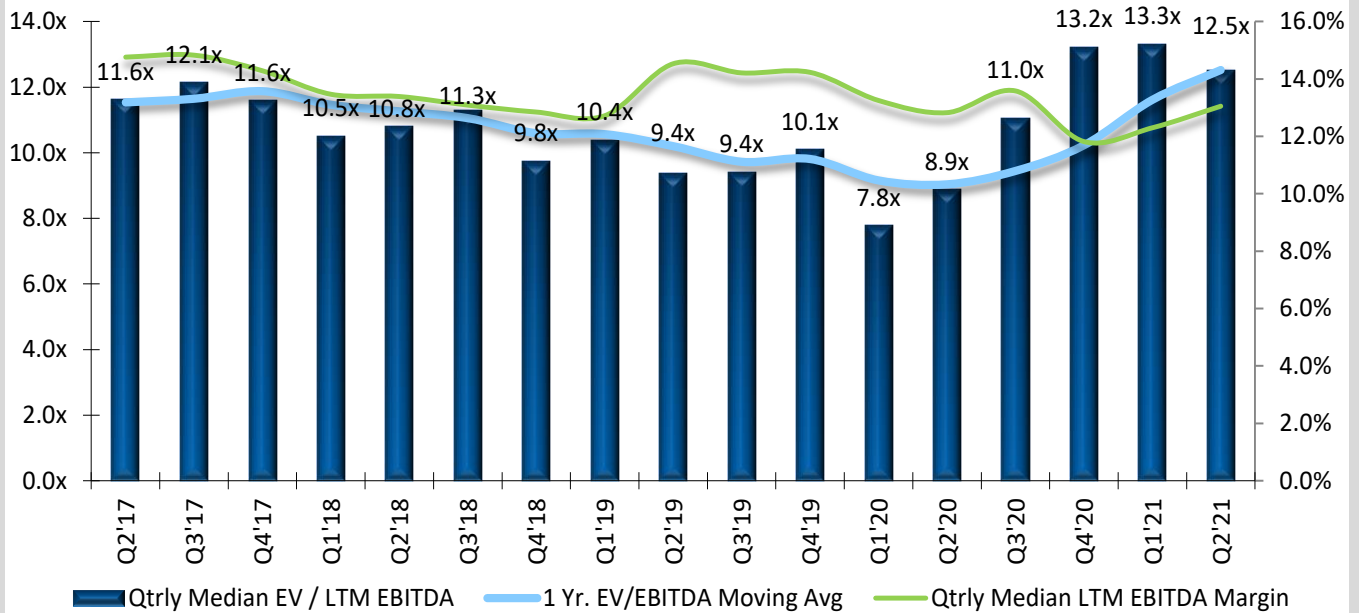
No Selected News for the Month of September

## Comparative Index Performance (Three-year and One-year)

Last Three YearsLast Twelve Months

Source: CapitalIQ

## Valuation Trend

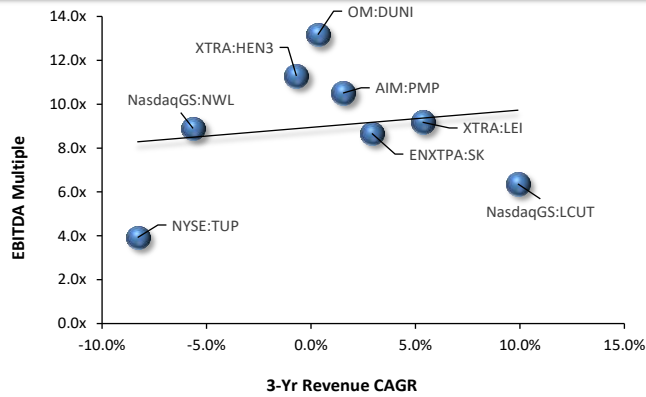
Enterprise Value/LTM RevenueEnterprise Value/LTM EBITDA

Source: CapitalIQ

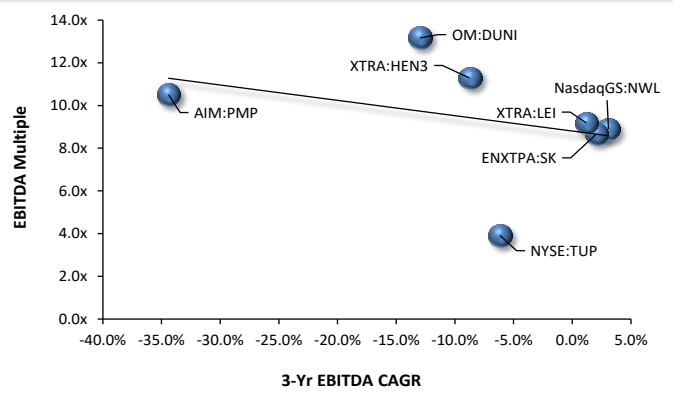
## Valuation and Operating Performance Matrices

Graphs adjusted to eliminate statistical outliers.

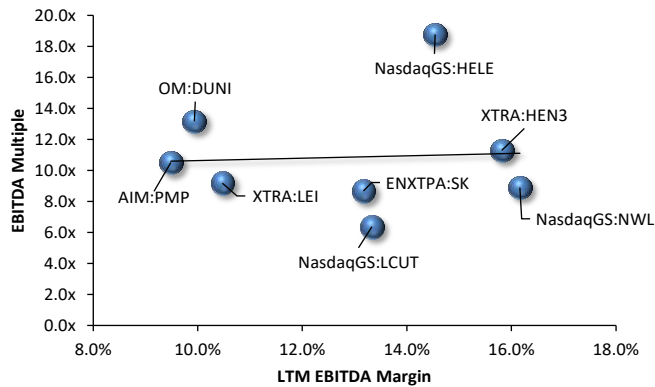
3-Yr Revenue CAGR vs. EBITDA Multiple



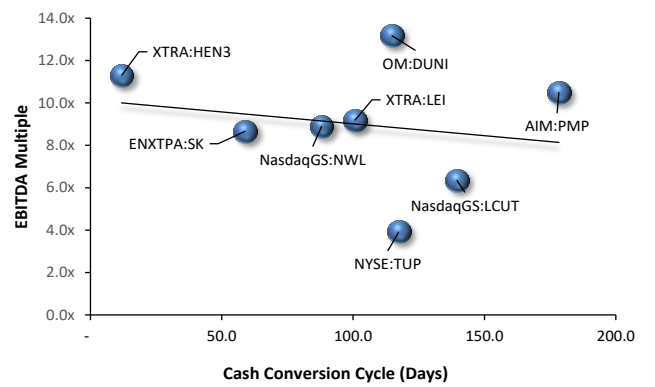
3-Yr EBITDA CAGR vs. EBITDA Multiple



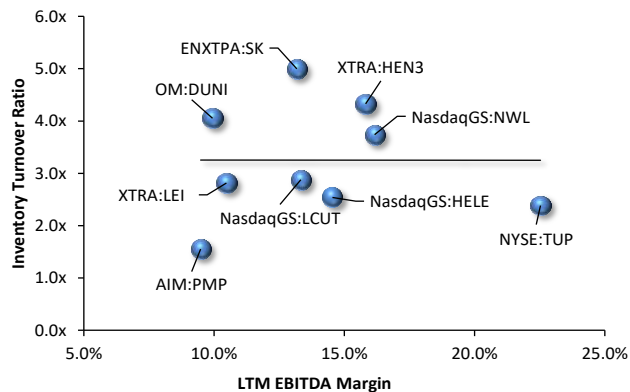
EBITDA Margin vs. EBITDA Multiple



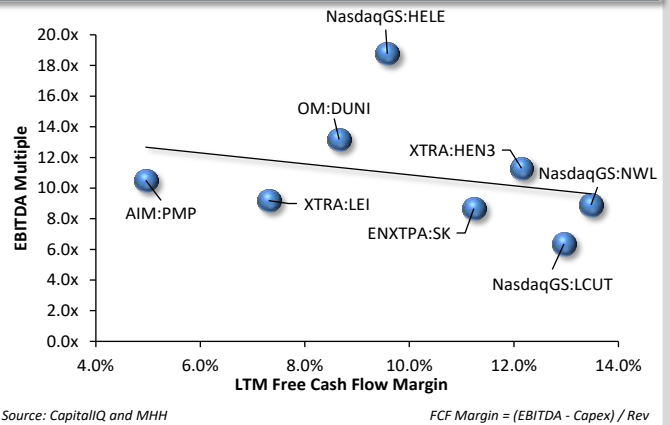
Cash Conversion Cycle vs. EBITDA Multiple



EBITDA Margin vs. Inventory Turn Ratio



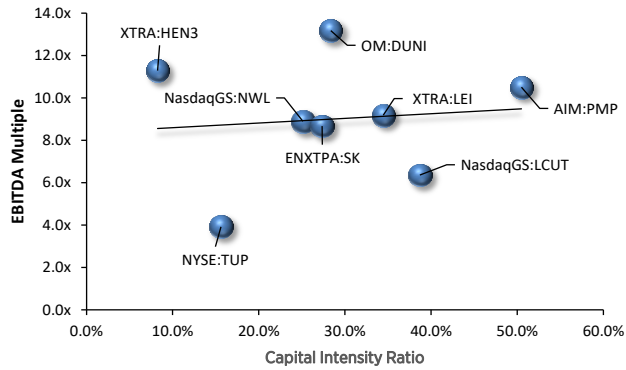
Free Cash Flow Margin vs. EBITDA Multiple



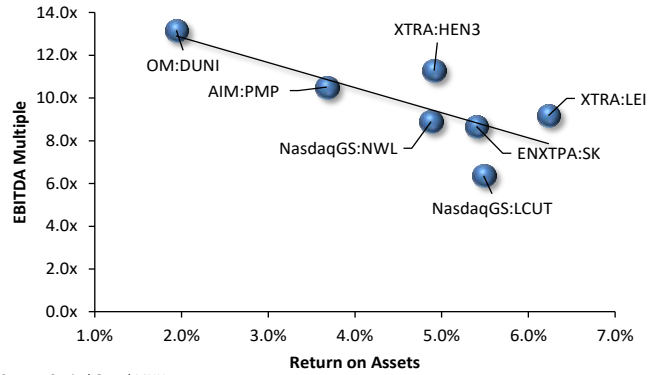
## Valuation and Operating Performance Matrices (cont.)

Graphs adjusted to eliminate statistical outliers.

Capital Intensity vs. EBITDA Multiple



Return on Assets vs. EBITDA Multiple



## Selected M&amp;A Transactions: 09/01/21 - 09/30/21

No Selected Transactions for the Month of September

## Selected News Announcements

No Selected News for the Month of September

**Mufson Howe Hunter** is an independent investment bank for middle-market companies. We focus on selling businesses, buy-outs, acquisitions and raising capital. Unique to the middle market, our senior bankers have extensive corporate finance experience and deep knowledge of the capital markets.

## **Mergers & Acquisitions**

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

## **Raise Capital**

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds and private equity groups

## **Financial Advisory Services**

- Analysis of business strategies and options
- Fairness opinions
- Valuations

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