



Consumer sector update

Design & Furniture

November 2024



Executive summary



LATEST NEWS IN THE DOMESTIC DESIGN & FURNITURE SECTOR

- After the post-pandemic “boom”, **2023** represented for the domestic wood-furniture and design sector a year of **return to more “normal levels”**, recording a **turnover of €53bn** (-8% vs 2022). In this context, **top 10 Italian players** showed great **resilience**, with an **aggregate turnover of €4.6bn** (+2% vs 2022)
- **Further consolidation in the sector** with some renowned transactions such as **ScS Group** acquired by **Poltronosofà**, **Sitland** acquired by **WeDo Holding**, and **Rintal** joining **Scigno Group**
- **Milan Design Week** beyond expectations, with more than **1,950 exhibitors** and **370,824 visitors** (+20% up compared with 2023) attending the **62nd edition** of the **Salone del Mobile**



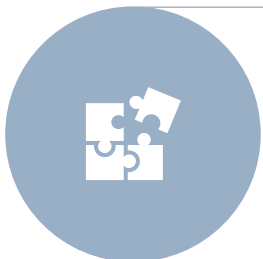
EVOLUTION AND KEY TRENDS OF THE GLOBAL DESIGN & FURNITURE SECTOR

- The **Global Design & Furniture Market** grew with a **4% CAGR** in the **last 10 years** and is furtherly expected to grow at a **4% CAGR by 2029**, mainly driven by **the Living Room sub-segment** and **high demand in the US**
- In the upcoming years, the Design & Furniture market will be shaped by increasing **sustainable practices**, **digital channels**, **functional standards** and the integration of **new technologies** (e.g., augmented reality and smart furniture)



STOCK PERFORMANCES AND VALUATIONS

- **In terms of EV/EBITDA 1Y Fwd multiples**, **market valuations** result in line with historical average (8.2x vs 8.2x for Furniture peers and 7.6x vs 8.0x for Lighting peers) and show a **Y-o-Y rebound** compared to October 2023, mainly driven by an **improved macroeconomic environment**, despite the potential negative externalities of escalating conflicts in Middle-East
- On average **brokers cut** the majority of **estimates vs 3 months ago**, but still expect **solid fundamentals** of Furniture & Lighting stocks in the next 2 years



RECENT M&A TRANSACTIONS

- Design & Furniture market characterized by an **M&A activity slowing down** vs 2023, especially regarding “design pure players”, and mainly **driven by the consolidation trend** started in previous years
- **Consolidation activity** driven mainly by **large design and furniture groups** acquiring **smaller players** to complement their product offering and/or brand portfolio



Agenda

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1. Latest news in the Design & Furniture sector
 2. Evolution and key trends of the Design & Furniture sector
 3. Stock performances and valuations
 4. Recent M&A transactions

Appendix

Latest news in the Design & Furniture Sector

Financial Highlights

In a 2023 of decline in the domestic furniture world, the 'top ten' brands remain in the running

Pambianco News | June 18th, 2024



- **After** the **post-pandemic “boom”** characterized by the rediscovery of the home world by Italians (and others), in **2023** the **domestic wood-furniture** and **design sector** had a **turnover** of just under **€53bn**, a figure therefore **down 8%** compared to **2022** when the sector's record performance recorded **€57bn** in turnover
- In **2019** the **sector** expressed a **value** of **€42bn**, so it is also **correct** to **consider 2023** as a **year of return** to a **more 'normal' level** of turnover compared to the post-pandemic boom
- **Analyzing** the **revenues** of the **top ten Italian companies** combined, a **total turnover** of almost **€4.6bn** is obtained and therefore **up 2%** on the just under **€4.5bn** recorded in **2022**. By this perspective, the year-on-year positive delta shows encouraging signs of resilience and consolidation among the leading domestic players

Latest news in the Design & Furniture Sector

M&A Highlights

21 Invest (Benetton) acquires TheNiceKitchen

Pambianco News | October 21st, 2024



- **21 Invest** acquired a **majority stake** in **TheNiceKitchen**, a specialist in **cooking** and **refrigeration systems** for **professional kitchens**, from BeNice Holding
- Established in 2013 by BeNice Holding, **TheNiceKitchen** project originated with the acquisition of Modular Professional, focused on the production of modular kitchens, hobs, ovens and dishwashers. In 2019, the acquisition of Coldline, founded in 1995 by **Alessandro** and **Gianluca Bagante** and specialised in professional refrigeration, led to the birth of the group as we know it today
- In **2023**, **TheNiceKitchen** recorded **revenues** for about **€55m**, **60%** of which came from **foreign markets**
- **21 Invest** will **support TheNiceKitchen** to further **accelerate** its **growth** in **international markets** by strengthening its **sales force**, optimising the **sales channel mix** and **product focus**, while also **pursuing M&A opportunities** that can complement the group's portfolio

Dexelance rises to 100% stake in Axolight

Dexelance | October 15^h, 2024



- **Dexelance** announced that it finalized the **acquisition** of a **49% stake** in **Axolight**, a company **specializing** in the **design** and **production** of **designer lamps**, controlled by Dexelance since July 2023 and in which the Group had initially invested, through the purchase of a minority stake, in November 2021
- **Axolight**, headquartered in Scorzè (Venice), in **2023** generated **revenues** for about **€5m** and boasts a strong presence abroad, with an **export share** of **86%**
- The **objective** of the **transaction** is the **continuation** of the **group's consolidation** in the **Lighting strategic area**, in which it operates through the brands Davide Groppi, Flexalighting and Axolight, with a view to greater organizational effectiveness and renewed synergistic interaction between the companies in the segment
- Giuseppe Scaturro, **Axolight's key shareholder and CEO**, will leave the position of **CEO** to devote himself to new business activities

Latest news in the Design & Furniture Sector (cont'd)

M&A Highlights

Mittel agrees to acquire Ceramica Catalano

Pambianco News | July 1st, 2024



- Through its **subsidiary Italian Bathroom Design Group (IBD)**, **Mittel** has signed a binding agreement for the **acquisition** of **100%** of the share capital of **Ceramica Catalano**
- The transaction has been carried out with a **purchase price** of **€92m**
- **Catalano**, a company based in Fabrica di Roma (VT), achieved a **turnover** of **€48.6m** in 2023, an **EBITDA** of about **€13.0m** and a **profit** of just under **€8.5m**
- **Catalano** is active in the **production** of **ceramics** for **bathroom furnishings** and is now present in over **60 countries** around the world, with **exports** on turnover of around **65%**
- **Mittel** has **created** a **Made in Italy center of excellence**, entirely based in the **Civita Castellana district**, capable of **producing** over **one million pieces a year** following the acquisition of Catalano, within **four plants**, on an **area** of about **200 thousand square meters**

Scrigno Group has acquired the Forlì-based Rintal

Pambianco News | June 24th, 2024



- **Scrigno Group** has announced the **acquisition** of the **majority** of the shares of **Rintal**, a historic Forlì-based company **specializing** in the **production** of **furnishing staircases**
- The **acquisition leads** to the **creation** of a **new industrial group** with a **consolidated turnover** of over **€130m**
- The **current ownership** of **Rintal** will **continue** to **participate** as a **minority shareholder**, ensuring continuity in the development of the company
- With the **acquisitions** of **Master** in **2017** and **CCE** in **2019**, **Scrigno** has **expanded** its business and **today operates** through **three divisions**: **pocket doors**, **security doors** and **automatic gaskets** for windows and doors. **More than 50%** of the **products** are **exported** to **over 30 countries**, with subsidiaries in France, Spain and the Czech Republic. **Since November 2021**, **Scrigno** has continued its expansion path within the **portfolio** of **PAI Partners MMF**, a private equity firm that invests in mid-market companies throughout Europe

Latest news in the Design & Furniture Sector (cont'd)

M&A Highlights

WeDo Holding acquires Vicenza-based Sitland

Pambianco News | March 14th, 2024



- The Padua-based group **WeDo Holding** has **acquired Sitland**, an **office furniture brand**
- Based in Nanto (Vicenza), **Sitland specializes** in the **technical seating sector** and has **116 employees**. In **2023**, it recorded a **turnover** of about **€17m**, of which **€12m abroad**, with an **EBITDA** of **€1m**
- This **transaction** is part of the **group's Office & Healthcare strategy** and represents the **eleventh company** to **join** its organization. The other industrial companies are Arrital, CopatLife, Doimo Cucine, Rotaliana, Busnelli, Diva Divani International, Frezza, DVO, Mis Medical and WeDo Project
- **With Sitland, WeDo becomes**, in terms of **aggregated revenues** of its **four brands** in the **sector** – Dvo, Frezza, Sitland and Mis Medical –, **among the leading groups** in **Italy** in the **Office & Healthcare sector**, with **revenues** for **€91m** and with the **aim** of reaching **€120m** in 2025

MSC, Claudio Costamagna and Danilo Iervolino join Unopiù

Pambianco News | December 19th, 2023



- **Unopiù** has announced its **new organizational structure**. The **renewed shareholding structure** of the **outdoor furniture company** **includes** with **equal shares** the **MSC Group** – a **global operator** in **shipping** and **logistics** – **Claudio Costamagna** (at the top of Goldman Sachs for 18 years and former president of Cassa Depositi e Prestiti) and the **historical partners**: the **Marzocco family** and **Flavio Briatore**, who are **joined by Danilo Iervolino**, founder of the online university Unipegaso
- The **shareholding reorganization** is **aimed** at **launching** an **important development plan** for the company
- The new management has presented an **ambitious five-year plan**, with the **aim** of **reaffirming** the company's **position** as a **leader** in the **outdoor furniture sector**, **improving** the **relationship** with **distributors** and working on a **360-degree multi-channel approach** with the aim of **consolidating** the **relationship** with **end-consumers**
- The **priority objective** will be **geographical expansion**, in particular in the **Middle East** and in the **United States**

Latest news in the Design & Furniture Sector (cont'd)

Latest Trends and Events

Salone del Mobile focuses on China with two events in Shanghai and Hong Kong



Salone del Mobile | October 10th, 2024

- After a **record-breaking 2024 edition**, the **Salone del Mobile** is once again travelling the world to stimulate dialogue with **key markets** for Made in Italy
- With **new strategic alliances** and **new exhibition formats**, the Salone del Mobile di Milano is once again betting on **China**. In **Shanghai**, with **West Bund Art & Design**, to promote Italian design and in **Hong Kong** to pay homage to the **25th anniversary** of the **Salone Satellite**
- The **choice** of the Land of the Dragon is **strategic**: despite the difficulties of the real estate market, in **2023, Italy** confirmed its position as the **main exporter** of **furniture** to **China**, with a value of **€479m**. An interest confirmed during the **last edition** of the **Salone**, which saw **China** regain **first place** in terms of **number** of **visitors** after the post-pandemic transition

Design is the "second life" of trees impacted by climate change



Pambianco News | September 4th, 2024

- Even from a calamity it is possible to get something creative (and also useful). This is the case of the **initiatives undertaken** by the **Municipality of Milan** and the **Il Vittoriale degli Italiani Foundation** to give **new life** to the **trunks** of **fallen trees** by transforming them into **collector's items** or **real works of art**. But the interest of design in the protection of environmental heritage is **also** at the **center** of **Seed**, the **international festival** in **Perugia** that promotes the culture of **sustainability**
- On September 11th, a very special **auction** will be held at the **ADI Design Museum**. Beaten by **Christie's** in favor of the **Milan Fund for Trees** the event is part of the **project**, conceived by Nicoletta Gatti, "**Second life, 10 trees for 10 author totems**"
- Furthermore, in Perugia, **from 25 to 28 September**, the "**Seed Design action for the future**" festival returns, in the evocative setting of S. Francesco al Prato

Latest news in the Design & Furniture Sector (cont'd)

Latest Trends and Events

The hot autumn of design returns to Venice. Record attendance expected

VENICE DESIGN WEEK

Pambianco News | July 25th, 2024

- The Serenissima's events dedicated to design and high craftsmanship are increasingly confirmed as an unmissable event, even at an **international level**. Every year the calendar of autumn events presents a **full agenda of events** – from Homo Faber to Venice Glass Week, the Salone dell'Artigianato and Venice Design Week – and **never before** has a **high international presence** been **expected**, both of **exhibitors** and the **public**
- For this year's edition are entailed about **100 designers** and **brands** from **16 countries**, with the main goal to **discover emerging designers** and **innovative products**, characterized by **sustainability** as a **key component**, not admitting non-durable products or products that have an unsustainable life cycle
- Among this year's **novelties**, there will be the **debut** of the **outdoor section** and a **selection** of **brands** active in the **collectible design** segment

Salone del Mobile Milano 2024: Here's How It Went

 Salone del Mobile Milano

Salone del mobile | April 21st, 2024

- The **62nd edition** of the Event confirms its **leading role** in the **international panorama**, between research, experimentation and innovation, recording a **+20.2%** compared to the **2023** edition
- The Salone del Mobile Milano 2024 saw the **participation** of over **1,950 exhibitors** from **35 countries**. In terms of attendance, the Event recorded a **record turnout** of **370,824** overall **attendees** (+110,000 compared to 2022). Excellent result for the **attendance** of **operators** who recorded a **+28.6%**, with **65.6%** coming from **abroad**
- In the **top 15** of market **geographies**, China is making a great comeback, followed by Germany, Spain, Brazil, France, the United States, Poland, Russia, Switzerland, Turkey, India, the United Kingdom, South Korea, Japan, and Romania



Agenda

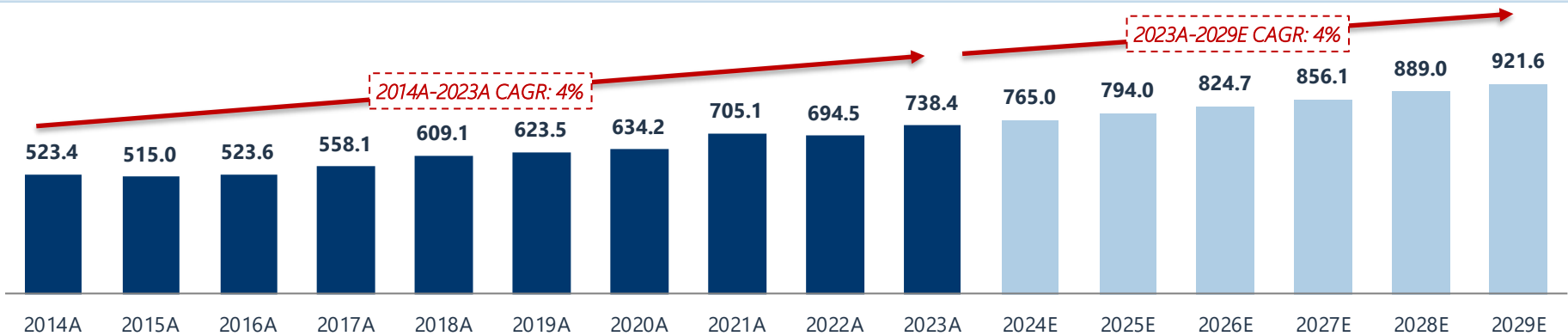
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Appendix

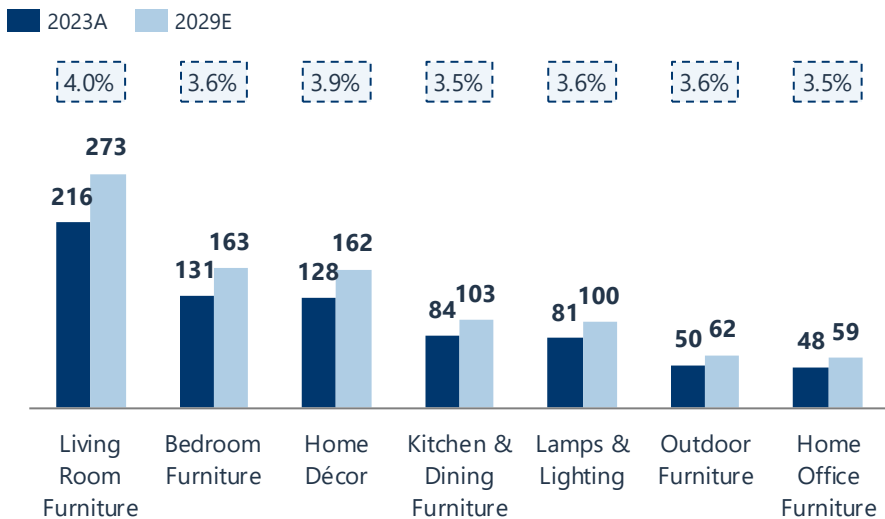
Design & Furniture market evolution

The Global Design & Furniture Market experienced a steady growth path in the last 10 years and is expected to grow at a CAGR 2023A-2029E of 4% mainly driven by the Living Room Furniture sub-segment and by high demand in the United States

GLOBAL DESIGN & FURNITURE MARKET (\$BN)



MARKET EVOLUTION 2023A-2029E (SIZE \$BN & CAGR %)



2023A | KEY FACTS

- In 2023A, the **global D&F market** generated revenues for **\$738bn**, with **Living Room Furniture** as the largest segment, amounting to **\$216bn** and featured by the **highest growth potential** (+4% CAGR 2023A-2029E)
- From an international perspective, the **United States** represent the country with the **highest average revenue per-capita** in the **Design & Furniture market**, amounting to **\$747** in 2023A
- Spending on household goods and services** is forecasted to grow at a **2019A-2026E CAGR of 7.6%** (higher than the one for healthcare, clothing & footwear, personal care and transport)
- Offline sales** continue to **dominate the global D&F market**. However, the **pandemic boosted the e-commerce channel**, which is expected to **grow from ~29% of total sales in 2023A to ~35% in 2027E**

Design & Furniture market trends

In the upcoming years, the market will be shaped by increasing sustainable practices, innovative sales and communications channels, multifunctional standards and the integration of new technologies (e.g., augmented reality and smart furniture)

SUSTAINABLE AND ECO-FRIENDLY PRACTICES



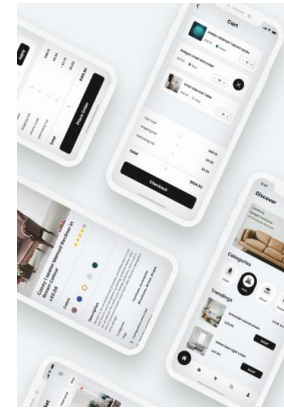
- **Corporate Sustainability (CSR)** has become a **key term** within the business world and a **central focus** for **major players** in the **Design & Furniture** market
- **Recycling and upcycling procedures** maximize **resource use** and **longevity**, contributing to a **reduction of environmental impact** and **addressing the raw materials shortage** issue

AUGMENTED REALITY & ARTIFICIAL INTELLIGENCE



- **Augmented Reality (AR)** and smart apps **allowing customers** to place **virtual products** in their own room to get an **impression** and potentially order them directly online
- Adoption of **automation and robotics** solutions **driven by Artificial Intelligence (AI)** to transform the **furniture making and material management process**

DIGITAL WAVE



- Even though the **offline** still represents the **dominant sales channel**, **90%** of **consumers** **start** their **furniture search** and investigate products **online** before making purchases
- **Customers** **drawn and retained** by **well-designed websites, social media presence** and **targeted online advertising**

INNOVATIVE MARKETING APPROACH



- **Increasing collaborations** with **social-media influencers**: **80%** of **buyers** say that **social-media material affects** their **choice** to buy and **50%** of **furniture businesses** today **uses influencer marketing**
- **Strengthening partnerships** of **Furniture operators**, jointly offering **exclusive and limited products**

SMART & MULTIFUNCTIONAL DESIGN



- **Integration of furniture and technology** smoothly blends **functionality and design**
- **Sturdy furniture** used to **maximize living room spaces and storage** as cities get denser and real estate values rise
- **Contemporary furniture designs** combine several uses for **modern technology** to create **visually pleasing and compact pieces** of furniture

SMART LIGHTING

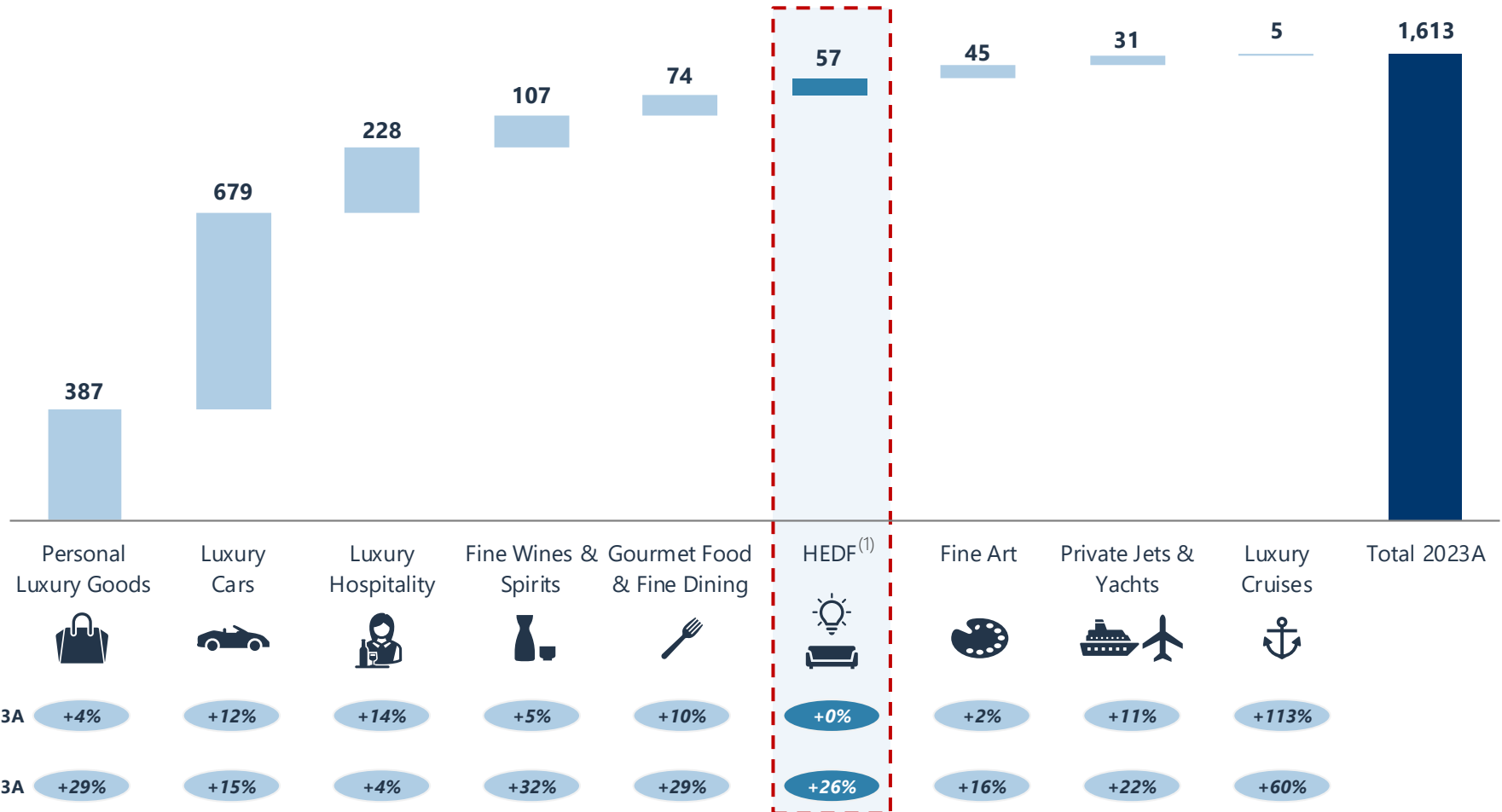


- **Energy efficiency** becoming increasingly important with **rising electricity prices**
- **Smart bulbs and intelligent lighting** can provide **more living comfort** and a **better living atmosphere**
- **LED lamps** and smart home lighting options **reducing energy consumption** by switching off or dimming the lights at certain times of the day

Focus on the High-End Design Furnishing market segment

In 2023A, the High-End Design Furnishing market, part of the broader Luxury market, amounted to a value of \$57bn. In particular, after the post-pandemic hypergrowth, the segment normalized in 2023A, with the real estate market cooling down, notwithstanding the notable resilience demonstrated by high-end residential projects

GLOBAL LUXURY MARKET IN 2023A (\$BN)



Source: Altgamma Consensus 2024

Note: (1) High-end Design Furnishing; (2) At current exchange rates



Agenda

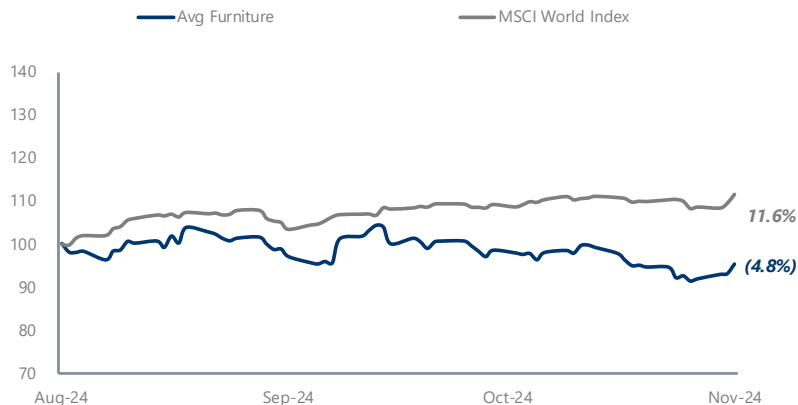
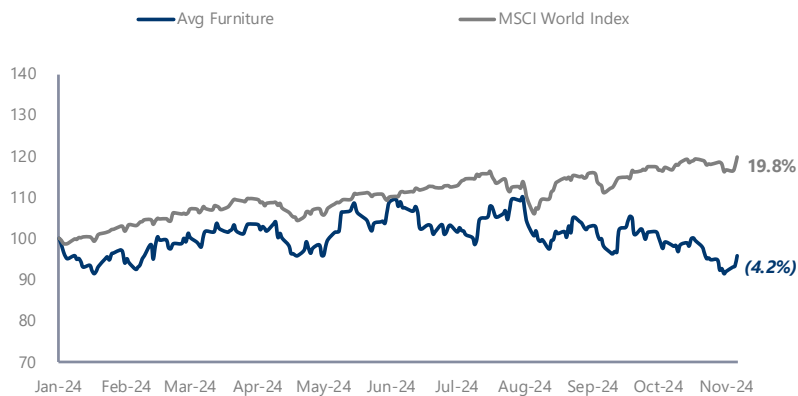
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Stocks performance – Furniture

Year-to-date, furniture selected peers' stocks have reported, on average, a negative performance compared to the MSCI World Index (-4.2% vs. +19.8%), being negatively impacted on top-line and profitability vs. previous years

STOCKS PERFORMANCE



RECENT NEWS

RH

- 12/09/2024: Announcement of 2Q24 results approval. Revenues of US\$830m (+3.6% vs 2Q23). Adj. EBITDA of US\$143m (-28.0% vs 2Q23). Adj. Operating Income of US\$97m (-39.9% vs 2Q23)
- 31/05/2024: RH Announces the Opening of RH Palo Alto, The Gallery at Stanford

HNI

- 29/10/2024: Announcement of 3Q24 results approval. Revenues of US\$672m (-5.5% vs 3Q24). Operating Income of US\$69m (+21.3% vs 1Q24)
- 03/10/2024: Appointment of new CFO

MillerKnoll

- 19/09/2024: Announcement of 1Q25 results approval. Revenues of US\$862m (-6.1% vs 1Q24). Operating Income of US\$15m (-62.5% vs 1Q24)
- 12/09/2024: MillerKnoll Announces New Global Hubs in New York and London

Steelcase

- 18/09/2024: Announcement of 2Q25 results approval. Revenues of US\$856m (+0.1% vs 2Q24). Adj. EBITDA of US\$90m (+16.2% vs 2Q24). Adj. Operating Income of US\$69m (+28.5% vs 2Q24)
- 08/08/2024: Launch of Rockford and Galesburg Collections

ARHAUS

- 07/11/2024: Announcement of 3Q24 results approval. Revenues of US\$319m (-2.2% vs 3Q23). Adj. EBITDA of US\$23m (-31.3% vs 3Q23). Operating Income of US\$11m (-55.3% vs 3Q23)
- 27/08/2024: Arhaus Debuts Fall 2024 Collection

roche bobois PARIS

- 11/09/2024: Announcement of 1H24 results approval. Revenues of €205m (-7.8% vs 1H23). EBITDA of €37m (-26.6% vs 1H23). Operating Income of €13m (-55.0% vs 1H23)
- 05/07/2024: Agreement to acquire a majority interest in historical franchisee in China

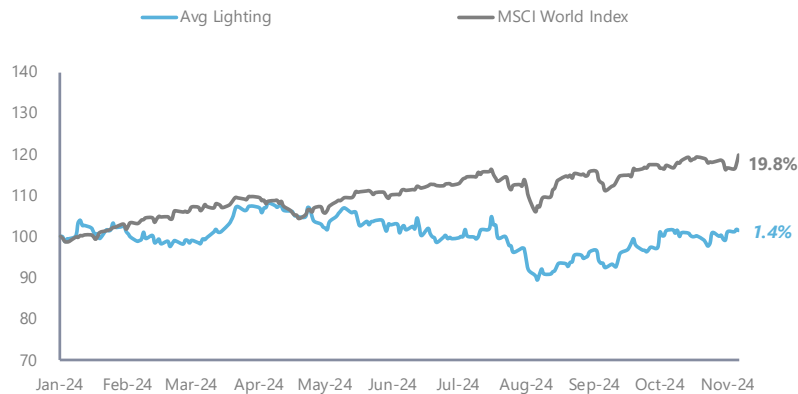
DIXELANCE

- 15/10/2024: Consolidation of shareholding in Axolight
- 09/09/2024: Announcement of 1H24 results approval. Revenues of €151m (+9.2% vs 1H23). Adj. EBITDA of €19m (-22.2% vs 1H23). Adj. Operating Income of €12m (-37.6% vs 1H23)

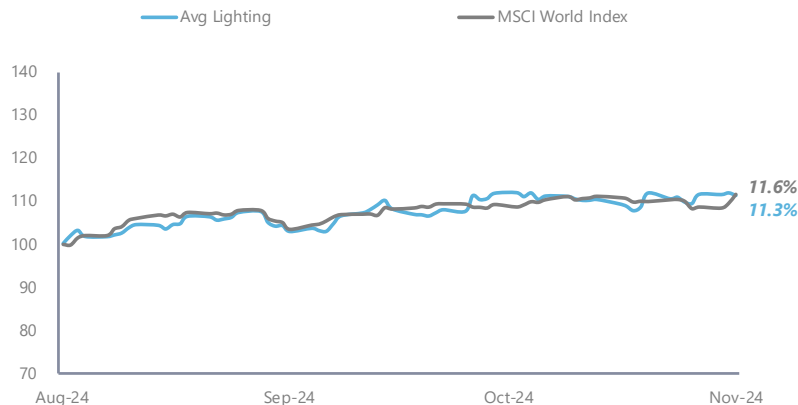
Stocks performance – Lighting

Year-to-date, selected players in the lighting sector recorded a steady performance compared to the MSCI World Index (+1.4% vs. +19.8%), particularly experiencing a positive market rebound in the last 3 months

STOCKS PERFORMANCE



YTD



LAST 3 MONTHS

RECENT NEWS

AcuityBrands

- 01/10/2024: Announcement of FY24 results approval. Revenues of US\$3,841m (-2.8% vs FY23). Adj. EBITDA of US\$691m (+6.6% vs FY23). Adj. Operating Income of US\$640m (+7.1% vs FY23)
- 30/07/2024: Appointment of new President of Lighting business

Signify

- 25/10/2024: Announcement of 3Q24 results approval. Revenues of €1,537m (-6.8% vs 3Q23). EBITA of €153m (+1.8% vs 3Q23). Operating Income of €137m (+4.3% vs 3Q23)
- 03/04/2024: Appointment of new CFO

FAGERHULT

- 28/10/2024: Announcement of 3Q24 results approval. Revenues of SEK1,919m (-7.7% vs 3Q23). EBITDA of SEK235m (-33.2% vs 3Q23). Operating Income of SEK117m (-51.3% vs 3Q23)
- 03/10/2024: Appointment of new Head of Business Area Professional

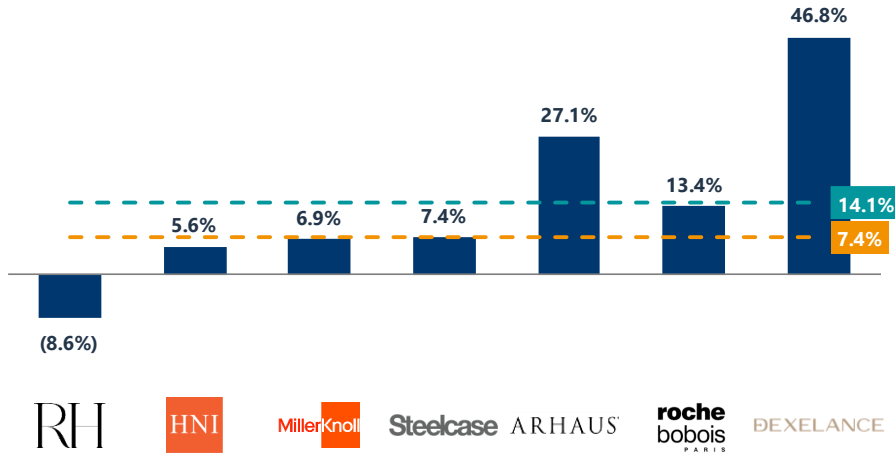
zumtobel group

- 11/10/2024: CEO contract extension until 30/09/2027
- 05/09/2024: Announcement of 1Q25 results approval. Revenues of €289m (+1.1% vs 1Q24). Adj. EBITDA of €33m (+15.5% vs 1Q24). Adj. Operating Income of €20m (+39.5% vs 1Q24)

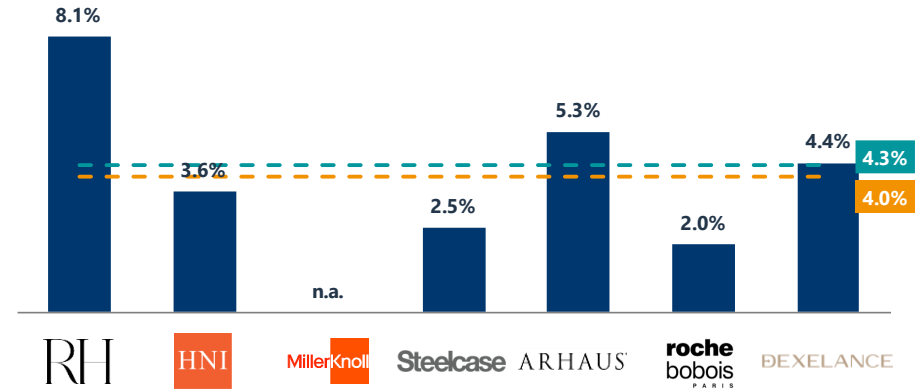
Financial Benchmarking – Furniture

— AVERAGE — MEDIAN

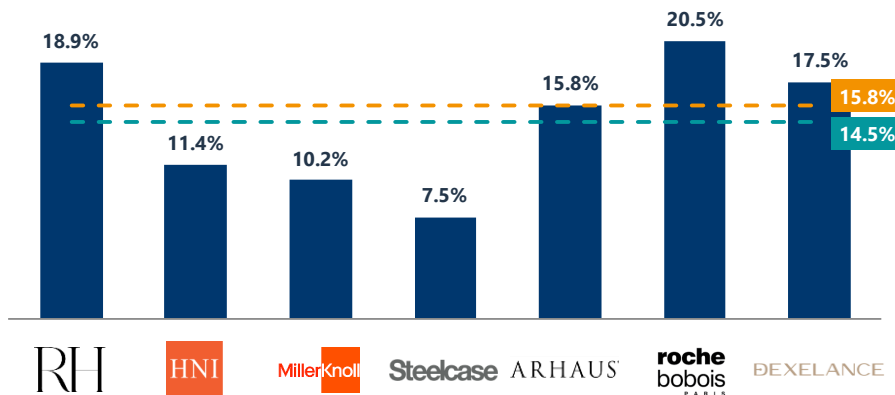
REVENUES CAGR 2021A-2023A



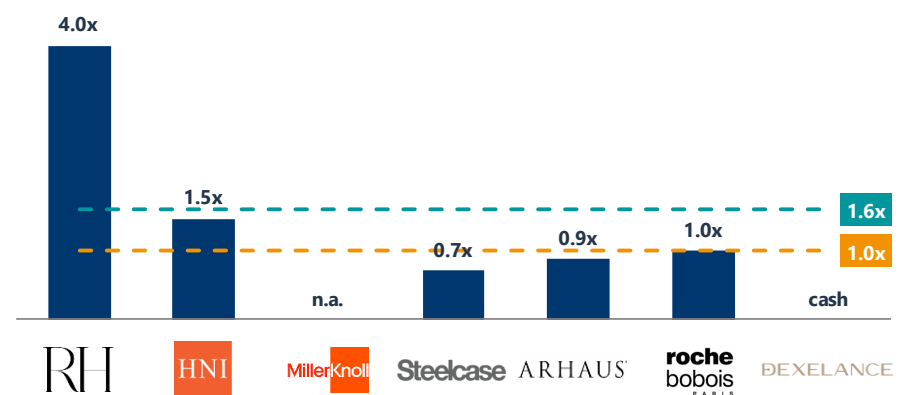
REVENUES CAGR 2023A-2026E



EBITDA % 2023A



NET DEBT/EBITDA 2023A

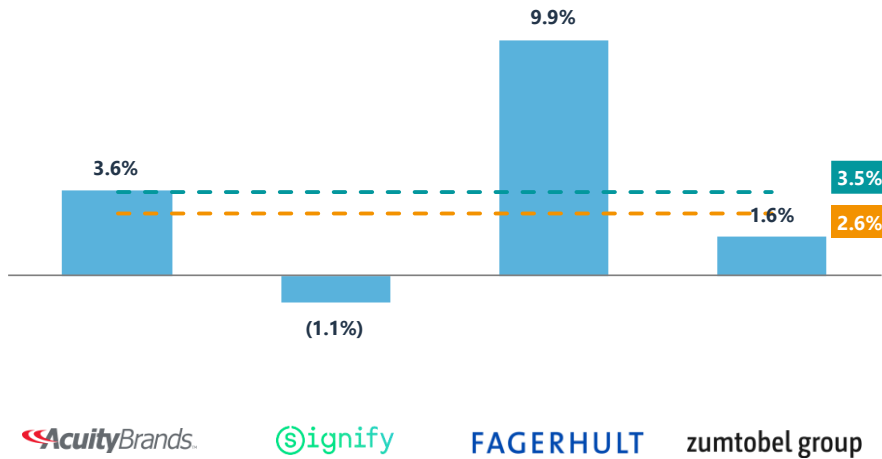


Source: Factset as of 06.11.2024

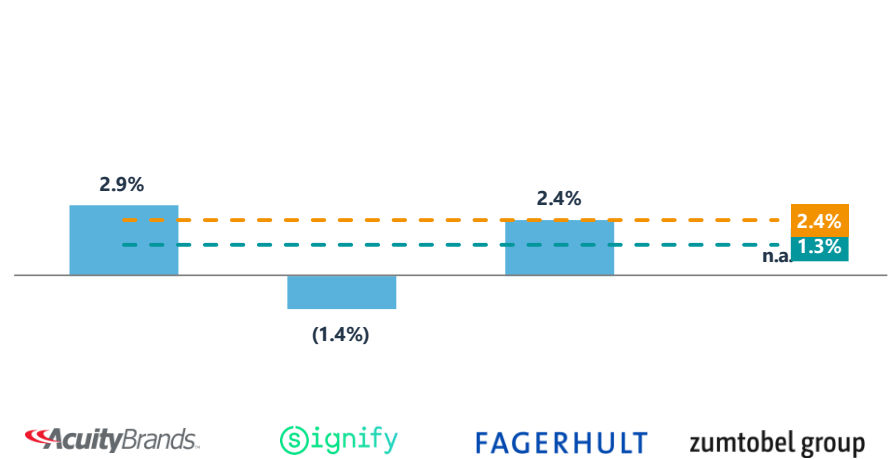
Financial Benchmarking – Lighting

— AVERAGE — MEDIAN

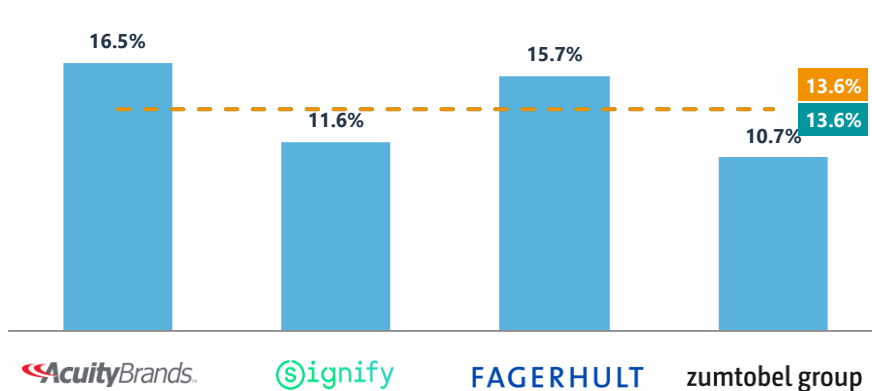
REVENUES CAGR 2021A-2023A



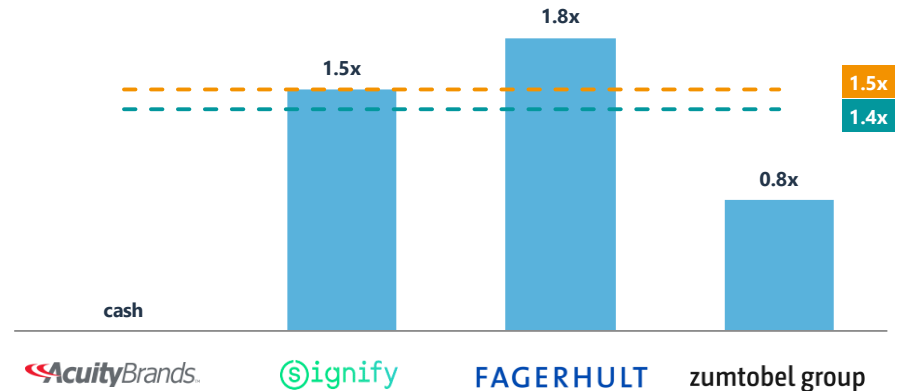
REVENUES CAGR 2023A-2026E



EBITDA % 2023A



NET DEBT/EBITDA 2023A

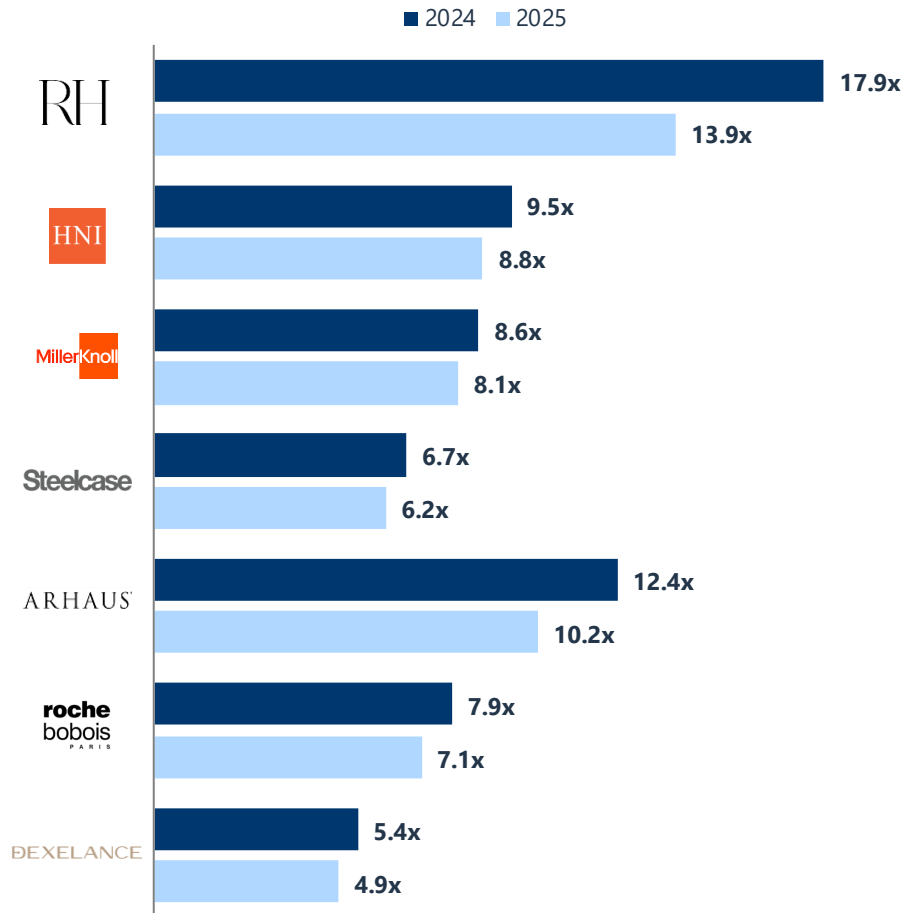


Source: Factset as of 06.11.2024

Trading multiples – Furniture

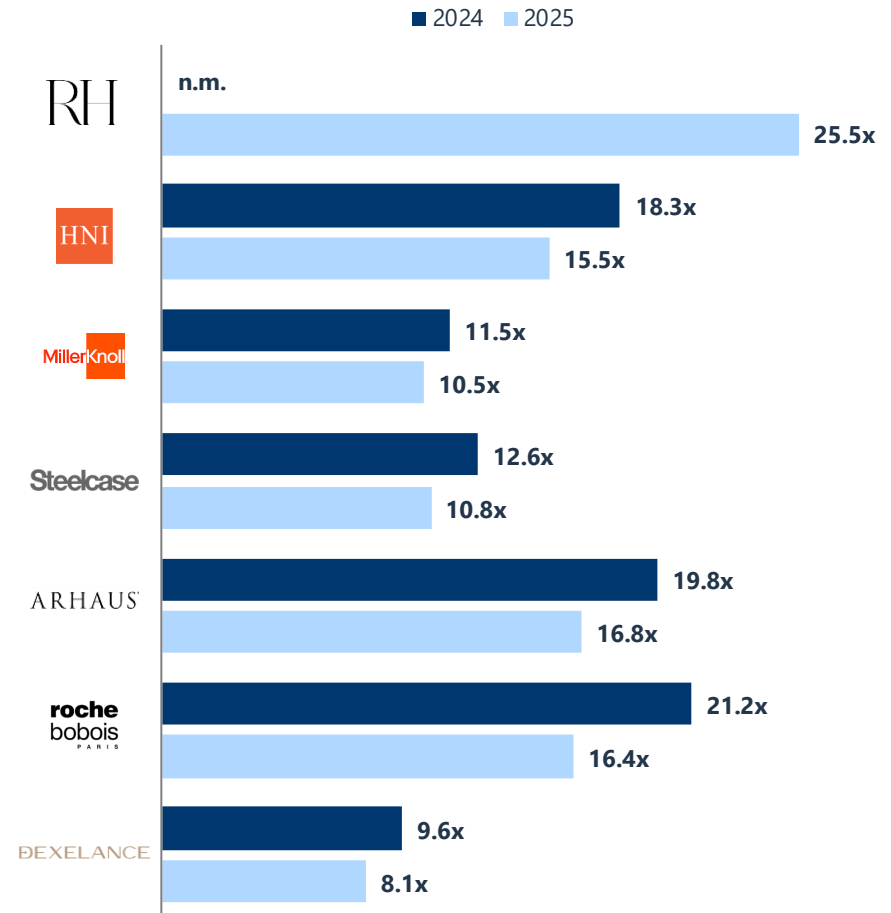
Median 2024 Median 2025

EV/EBITDA



8.6x 8.1x

P/E



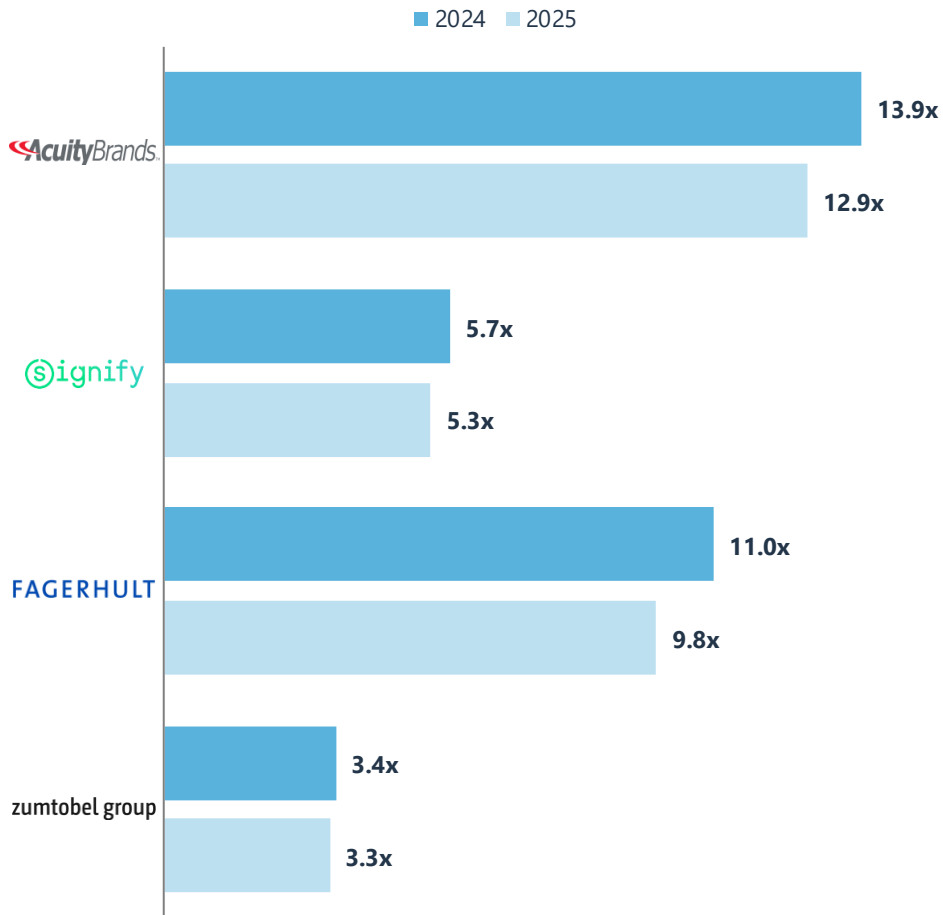
15.5x 15.5x

Trading multiples – Lighting

Median 2024

Median 2025

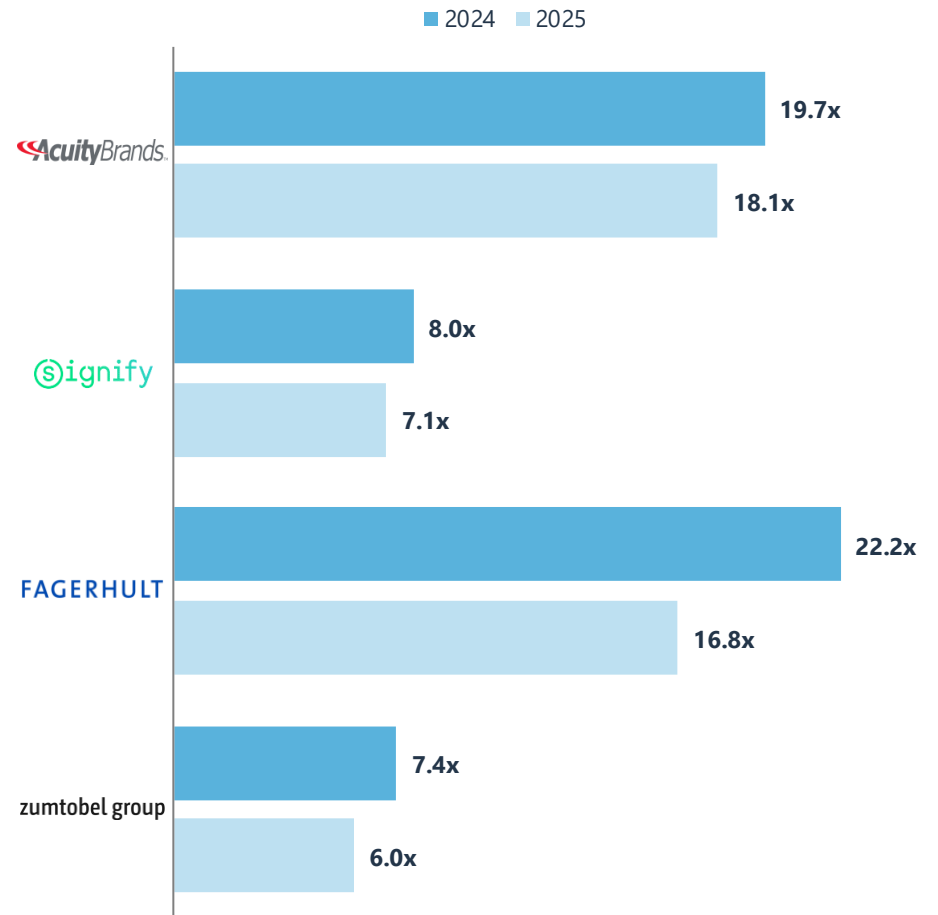
EV/EBITDA



8.4x

7.6x

P/E



13.8x

11.9x

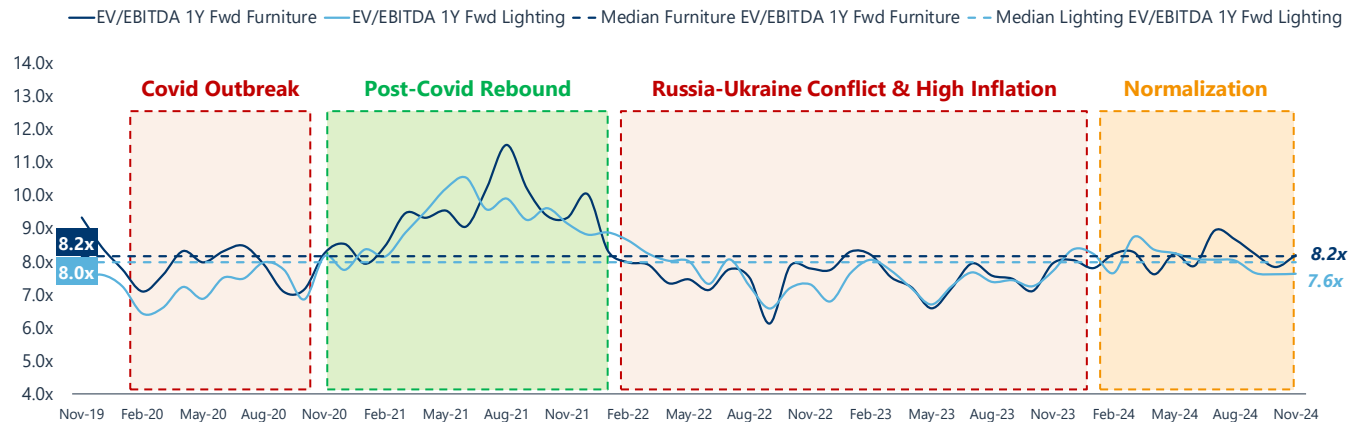
Historical trading multiples – Furniture and Lighting

Furniture and lighting listed peers 1Y FW EV/EBITDA and P/E multiples result in line with their historical trend

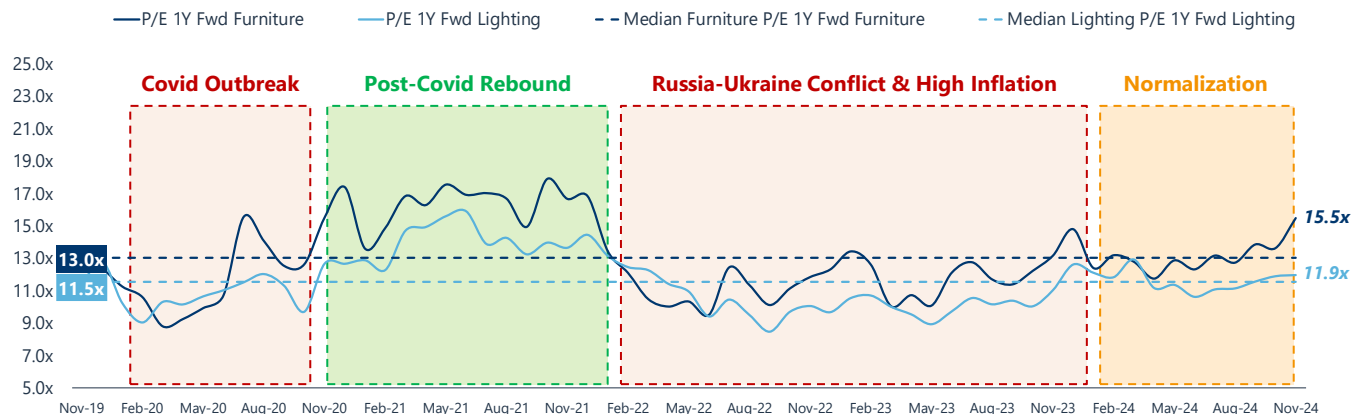
COMMENTARY

- Over the **past five years**, the **1Y FWD EV/EBITDA** and **P/E multiples** of players active in the **furniture** and **lighting** segments have experienced a **similar trend**, characterised **initially** by a **negative impact** from the **Covid-19 pandemic outbreak** and followed by a **strong rebound** resulting from increased sales through **online channels** and increased **fearless consumer spending**
- Subsequently, in the course of **2022** and **2023**, the outbreak of the **Russia-Ukraine conflict** and the **deterioration** of the **macroeconomic environment** caused by **high inflation rates** led to a **decrease in volumes, margins** and **earnings** in the sector, led by a lack of affordability in the housing market, higher raw materials costs and lower spending habits
- 2024** has been so far a year of **normalization** for the sector, characterized by an **improved macroeconomic environment**, despite the **potential negative implications of escalating conflicts in Middle-East**


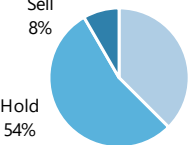



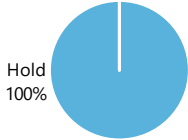


1Y FWD EV/EBITDA LAST 5Y



1Y FWD P/E LAST 5Y




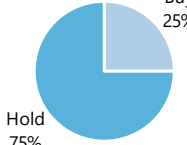

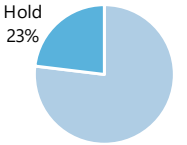




Brokers' consensus – Furniture^(1/2)

COMPANY	CONSENSUS	CONSENSUS ESTIMATES								
		Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	24	Revenues	2,935.0	0.2%	3,254.1	0.9%	3,624.4	1.8%
		Market price	€301.4	EBITDA	496.4	(3.1%)	637.6	1.4%	759.8	2.9%
		TP	€309.7	Net income	108.6	(18.5%)	218.8	(5.5%)	322.0	2.9%
		Potential upside	2.8%	Net debt	2,198.8	(1.9%)	2,058.9	(3.4%)	1,920.6	(1.3%)
		Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	1	Revenues	2,366.2	(1.6%)	2,430.7	(2.8%)	2,517.5	(2.3%)
		Market price	€50.7	EBITDA	299.9	(2.0%)	325.5	(3.7%)	349.7	1.6%
		TP	€56.8	Net income	132.3	(5.3%)	154.3	(6.5%)	147.5	(3.3%)
		Potential upside	12.0%	Net debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
		Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	2	Revenues	3,427.3	1.5%	3,530.7	2.5%	n.a.	n.a.
		Market price	€22.9	EBITDA	366.1	(1.4%)	390.6	(2.0%)	n.a.	n.a.
		TP	€30.7	Net income	137.6	(4.6%)	151.0	(5.5%)	n.a.	n.a.
		Potential upside	34.3%	Net debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
		Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	2	Revenues	2,986.3	0.6%	3,070.4	0.3%	3,175.0	(1.3%)
		Market price	€12.2	EBITDA	250.6	1.9%	273.3	1.4%	n.a.	n.a.
		TP	€15.5	Net income	109.5	3.0%	128.9	2.2%	n.a.	n.a.
		Potential upside	27.6%	Net debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Brokers' consensus – Furniture^(2/2)

COMPANY	CONSENSUS	CONSENSUS ESTIMATES								
ARHAUS	<p>Hold 31% Buy 69%</p>	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	13	Revenues	1,175.3	(5.1%)	1,263.4	(7.2%)	1,401.9	(4.8%)
		Market price	€8.5	EBITDA	122.6	(30.3%)	147.9	(28.6%)	185.0	(17.8%)
		TP	€12.1	Net income	60.3	(36.7%)	71.1	(37.3%)	91.5	(26.6%)
		Potential upside	43.0%	Net debt	171.6	(5.2%)	158.3	(24.1%)	23.8	(86.1%)
	<p>Sell 25% Buy 50% Hold 25%</p>	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	4	Revenues	417.4	(3.9%)	438.9	(3.6%)	455.9	(3.7%)
		Market price	€42.1	EBITDA	73.7	(12.0%)	82.2	(10.6%)	89.2	(9.4%)
		TP	€47.0	Net income	20.2	(30.9%)	26.0	(30.1%)	32.4	(21.8%)
		Potential upside	11.6%	Net debt	29.4	(71.1%)	15.4	(84.7%)	(1.2)	(101.2%)
DEXELANCE	<p>Buy 100%</p>	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
		# broker L3M	3	Revenues	316.8	0.8%	336.6	1.4%	353.8	1.3%
		Market price	€8.6	EBITDA	52.5	1.1%	58.0	(0.1%)	61.6	0.3%
		TP	€14.2	Net income	24.0	2.3%	28.3	1.1%	30.5	1.0%
		Potential upside	66.1%	Net debt	(100.0)	(0.5%)	(74.0)	(2.6%)	(49.8)	(5.2%)

Brokers' consensus – Lighting

COMPANY	CONSENSUS	CONSENSUS ESTIMATES							
 	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
	# broker L3M	8	Revenues	3,577.8	0.6%	3,851.8	4.2%	3,972.8	n.a.
	Market price	€298.4	EBITDA	634.7	1.6%	701.9	6.6%	731.6	n.a.
	TP	€297.7	Net income	458.9	0.9%	507.9	5.2%	n.a.	n.a.
	Potential upside	(0.2%)	Net debt	(461.7)	12.0%	(896.8)	10.0%	(1,350.2)	n.a.
 	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
	# broker L3M	13	Revenues	6,215.3	(0.6%)	6,293.1	(0.5%)	6,426.7	(0.5%)
	Market price	€21.8	EBITDA	767.1	1.9%	821.8	3.7%	852.7	3.9%
	TP	€30.5	Net income	351.9	(0.1%)	28.6	0.4%	n.a.	0.7%
	Potential upside	39.8%	Net debt	956.9	(2.2%)	737.3	(2.6%)	509.4	(3.9%)
 	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
	# broker L3M	2	Revenues	716.6	(6.1%)	742.0	(7.7%)	787.9	(9.2%)
	Market price	€5.3	EBITDA	105.6	(11.2%)	117.9	(8.1%)	129.7	(9.2%)
	TP	€6.7	Net income	42.1	(24.9%)	55.7	(15.7%)	65.5	(14.2%)
	Potential upside	27.6%	Net debt	168.0	(4.0%)	136.9	(8.0%)	97.6	(18.6%)
 	Consensus L3m		€m	2024E	vs 3m ago	2025E	vs 3m ago	2026E	vs 3m ago
	# broker L3M	1	Revenues	1,129.2	n.a.	1,146.3	n.a.	n.a.	n.a.
	Market price	€5.3	EBITDA	110.2	n.a.	114.3	n.a.	n.a.	n.a.
	TP	€6.6	Net income	30.7	n.a.	38.0	n.a.	n.a.	n.a.
	Potential upside	25.0%	Net debt	75.6	n.a.	44.5	n.a.	n.a.	n.a.



Agenda

-
1. Latest news in the Design & Furniture sector
 2. Evolution and key trends of the Design & Furniture sector
 3. Stock performances and valuations
 4. Recent M&A transactions

Appendix

M&A Transactions in the Furniture & Lighting space since October 2023 (1/2)

Date	Target	Country	Target Description	Bidder	EV (€m)	EV/ EBITDA	EBITDA Margin
Oct-24	 TheNiceKitchen		Company specializing in the production of appliances for professional kitchens		n.a.	n.a.	n.a.
Oct-24	 Orange Office		Company specializing in supplying height-adjustable desks, chairs and storage solutions to dealers across the Netherlands, Belgium and Germany		n.a.	n.a.	n.a.
Sep-24	 HMV		Provider of retail furniture manufacturing and installation services		320	6.4x	9.3%
Sep-24	 GIULIO BARBIERI OUTDOOR SOLUTIONS		Company specializing in the production of outdoor aluminum covers such as professional gazebos, pergolas and shading sails for events		17	5.5x	23.4%
Aug-24	 mcnally		Company active in the design, manufacturing and fitting of kitchens		n.a.	n.a.	2.5%
Jul-24	 L&S Lighting Intelligence		Company active in the manufacturing and design of interior lighting solutions		n.a.	n.a.	20.2%
Jul-24	 Sleep Country		Company engaged in the retail of mattresses and other related furniture products		1,138	8.6x	21.0%
Jul-24	 Lafuma MOBILIER		Company engaged in design, development and manufacturing of metal and textile furniture		n.a.	n.a.	n.a.
Jul-24	 CATALANO		Company specializing in the production of ceramic for bathroom furnishings		92	7.1x	26.7%
Jun-24	 RINTAL		Company engaged in the manufacturing of staircases		n.a.	n.a.	7.7%
May-24	 Sleepzee ESTABLISHED 1924		Company engaged in the manufacturing and retail of mattresses		n.a.	n.a.	2.1%
Apr-24	 JTC FURNITURE GROUP		Company engaged in the manufacturing of kitchen furniture		n.a.	n.a.	n.a.

Source: Mergermarket, Publicly available information

M&A Transactions in the Furniture & Lighting space since October 2023 (2/2)

Date	Target	Country	Target Description	Bidder	EV (€m)	EV/ EBITDA	EBITDA Margin
Apr-24	 casa		Company specialised in retailing small furniture and household articles	AAS Retail AB	n.a.	<i>n.a.</i>	<i>n.a.</i>
Apr-24			Company engaged in the manufacturing of kitchen furniture		n.a.	<i>n.a.</i>	<i>n.a.</i>
Mar-24			Company active in the design, manufacturing and distribution of kitchen and bathroom equipment		n.a.	<i>n.a.</i>	<i>n.a.</i>
Mar-24			Company active in the design and manufacturing of household, office and cinema chairs		n.a.	<i>n.a.</i>	5.9%
Mar-24			Private Italian distributor of lamps and lighting solutions		2	9.6x	3.1%
Feb-24			Company engaged in the manufacturing of kitchens	Consortium led by ILAG AG and Existing Management	24	<i>n.a.</i>	<i>n.a.</i>
Feb-24			Company engaged in development of kitchen sections		64	<i>n.a.</i>	<i>n.a.</i>
Feb-24			Company engaged in the manufacturing and retail of lighting products		n.a.	<i>n.a.</i>	<i>n.a.</i>
Dec-23			Company active in the manufacturing of furnishings and outdoor structures		n.a.	<i>n.a.</i>	<i>n.a.</i>
Nov-23			Company active in the manufacturing of office chairs		n.a.	<i>n.a.</i>	<i>n.a.</i>
Oct-23			Company active in the retail of furniture		141	3.6x	10.4%






















Agenda

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




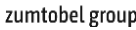






Appendix

Overview of selected peers – Furniture

Company	Country	Mkt Cap (€m)	Key Financials	Main Brands ⁽¹⁾	Business Description
		5,570	- Revenues 23: € 2,865m - EBITDA% 23: 18.9% - NFP/EBITDA 23: 4.0x		RH operates as a holding company which operates the business through its subsidiary Restoration Hardware, Inc. It offers furniture, lighting, textiles, bath ware, decor, outdoor and garden, as well as baby and child products. The company operates an integrated business with multiple channels of distribution including galleries, source books and websites. The company was founded by Stephen J. Gordon in 1980 and is headquartered in Corte Madera, CA.
		2,425	- Revenues 23: € 2,267m - EBITDA% 23: 11.4% - NFP/EBITDA 23: 1.5x		HNI Corp. engages in the provision of workplace furnishings and residential building products. It operates through the Workplace Furnishing and Residential Building Products segments. The company was founded by C. Maxwell Stanley, Clem Hanson, and H. Wood Miller in 1944 and is headquartered in Muscatine, IA.
		1,583	- Revenues 23: € 3,550m - EBITDA% 23: 10.2% - NFP/EBITDA 23: n.a.		MillerKnoll, Inc. engages in the research, design, manufacture, and distribution of interior furnishings. It operates through the following segments: Americas Contract, International Contract and Specialty, Global Retail, and Corporate. The company was founded by Dirk Jan de Pree and Kevin J. Veltman in 1905 and is headquartered in Zeeland, MI.
		1,386	- Revenues 23: € 2,947m - EBITDA% 23: 7.5% - NFP/EBITDA 23: 0.7x		Steelcase, Inc. engages in the manufacture and distribution of office environments. It operates through the following segments: Americas, EMEA, and Other. The company was founded by Peter Martin Wege, Walter D. Idema, and David Hunting on March 14, 1912 and is headquartered in Grand Rapids, MI.
ARHAUS		1,194	- Revenues 23: € 1,199m - EBITDA% 23: 15.8% - NFP/EBITDA 23: 0.9x	ARHAUS	Arhaus, Inc. engages in the retail of furniture, outdoor, lighting, textiles, and decor. The company was founded by John Reed in 1986 and is headquartered in Hudson, OH.
		427	- Revenues 23: € 430m - EBITDA% 23: 20.5% - NFP/EBITDA 23: 1.0x		Roche Bobois SAS operates as a holding company with interests in household furniture and related products. It operates through the following segments: Roche Bobois France, Roche Bobois USA/Canada, Roche Bobois Other Europe, Roche Bobois Others, Cuir Center and Corporate. The company was founded by in 1960 and is headquartered in Paris, France.
		230	- Revenues 23: € 311m - EBITDA% 23: 17.5% - NFP/EBITDA 23: cash		Dexelance engages in the development and promotion of Italian designs in the furniture and furnishings sector. It operates through four strategic business areas: Furniture, Lighting, Luxury Contract and Kitchen & Systems. The company was founded on March 10, 2015 and is headquartered in Milan, Italy.

Source: Factset as of 06.11.2024
Note: (1) Marketed brands























Overview of selected peers – Lighting

Company	Country	Mkt Cap (€m)	Key Financials	Main Brands ⁽¹⁾	Business Description
 Acuity Brands		9,209	- Revenues 23: € 3,643m - EBITDA% 23: 16.5% - NFP/EBITDA 23: cash	                	Acuity Brands, Inc. is an industrial technology company, which engages in the provision of lighting and building management solutions and services. It operates through the Acuity Brands Lighting and Lighting Controls and Intelligent Spaces Group segments. The company was founded in 2001 and is headquartered in Atlanta, GA.
 Signify		2,803	- Revenues 23: € 6,704m - EBITDA% 23: 11.6% - NFP/EBITDA 23: 1.5x	          	Signify NV engages in the provision, development, manufacture, and application of lighting products, systems, and services. It operates through the following segments: Digital Solutions, Digital Products, Conventional Products, and Other. The company was founded by Gerard Leonard Philips and Anton Frederik Philips in 1891 and is headquartered in Eindhoven, Netherlands.
 FAGERHULT		935	- Revenues 23: € 735m - EBITDA% 23: 15.7% - NFP/EBITDA 23: 1.8x	          	Fagerhult Group AB engages in the manufacture, development, and marketing of lighting solutions for professional indoor and outdoor environments. It operates through the following business segments: Collection, Premium, Professional, and Infrastructure. The company was founded by Bertil Svensson in 1945 and is headquartered in Habo, Sweden.
 zumtobel group		228	- Revenues 23: € 1,151m - EBITDA% 23: 10.7% - NFP/EBITDA 23: 0.8x	    	Zumtobel Group AG engages in the provision of lighting solutions. It operates through the Lighting and Components segments. Its services include consulting on intelligent lighting management and emergency lighting, light contracting, design, project management, and new data-based solutions. The company was founded in 1950 and is headquartered in Dornbirn, Austria.

Financial Benchmarking – Furniture

Company Name	Country	Mkt Cap € m	Sales 2023 € m	Sales CAGR		EBITDA %			EBIT %			Net Income %			ND / EBITDA		
				21-23	23-26	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026
Furniture																	
RH		5,570	2,865	(8.6%)	8.1%	16.9%	19.6%	21.0%	11.8%	14.6%	16.5%	3.7%	6.7%	8.9%	4.4x	3.2x	2.5x
HNI		2,425	2,267	5.6%	3.6%	12.7%	13.4%	13.9%	8.3%	9.2%	9.7%	5.6%	6.4%	7.1%	n.a.	n.a.	n.a.
MillerKnoll		1,583	3,550	6.9%	n.a.	10.7%	11.1%	n.a.	6.7%	7.4%	n.a.	4.0%	4.3%	n.a.	n.a.	n.a.	n.a.
Steelcase		1,386	2,947	7.4%	2.5%	8.4%	8.9%	n.a.	5.5%	5.7%	5.9%	3.7%	4.2%	n.a.	n.a.	n.a.	n.a.
ARHAUS		1,194	1,199	27.1%	5.3%	10.4%	11.7%	13.2%	6.6%	7.5%	8.8%	5.1%	5.6%	6.5%	1.4x	1.1x	0.1x
roche bobois		427	430	13.4%	2.0%	17.6%	18.7%	19.6%	7.5%	8.7%	9.7%	4.8%	5.9%	7.1%	0.4x	0.2x	cash
DEXELANCE		230	311	46.8%	4.4%	16.6%	17.2%	17.4%	12.6%	13.5%	13.7%	7.6%	8.4%	8.6%	cash	cash	cash
Average						13.3%	14.4%	17.0%	8.4%	9.5%	10.7%	4.9%	5.9%	7.6%	2.1x	1.5x	1.3x
Median						12.7%	13.4%	17.4%	7.5%	8.7%	9.7%	4.8%	5.9%	7.1%	1.4x	1.1x	1.3x
Lighting																	
AcuityBrands		9,209	3,643	3.6%	2.9%	17.7%	18.2%	18.4%	16.4%	16.6%	16.5%	12.8%	13.2%	n.a.	cash	cash	cash
Signify		2,803	6,704	(1.1%)	(1.4%)	12.3%	13.1%	13.3%	8.9%	9.9%	10.1%	5.7%	6.3%	6.5%	1.2x	0.9x	0.6x
FAGERHULT		935	735	9.9%	2.4%	14.7%	15.9%	16.5%	9.6%	10.5%	11.2%	5.9%	7.5%	8.3%	1.6x	1.2x	0.8x
zumtobel group		228	1,151	1.6%	n.a.	9.8%	10.0%	n.a.	4.9%	5.1%	n.a.	2.7%	3.3%	n.a.	0.7x	0.4x	n.a.
Average						13.6%	14.3%	16.0%	9.9%	10.5%	12.6%	6.8%	7.6%	7.4%	1.2x	0.8x	0.7x
Median						13.5%	14.5%	16.5%	9.2%	10.2%	11.2%	5.8%	6.9%	7.4%	1.2x	0.9x	0.7x

Trading multiples

Company Name	Country	EV / Sales			EV / EBITDA			EV / EBIT			P / E		
		2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026
Furniture													
 RH		3.0x	2.7x	2.4x	17.9x	13.9x	11.7x	25.6x	18.6x	14.9x	n.m.	25.5x	17.3x
 HNI		1.2x	1.2x	1.1x	9.5x	8.8x	8.2x	14.5x	12.8x	11.7x	18.3x	15.5x	13.5x
 MillerKnoll		0.9x	0.9x	n.a.	8.6x	8.1x	n.a.	13.8x	12.1x	n.a.	11.5x	10.5x	n.a.
 Steelcase		0.6x	0.5x	0.5x	6.7x	6.2x	n.a.	10.2x	9.6x	9.0x	12.6x	10.8x	n.a.
 ARHAUS		1.3x	1.2x	1.1x	12.4x	10.2x	8.2x	19.4x	16.1x	12.3x	19.8x	16.8x	13.0x
 roche bobois		1.4x	1.3x	1.3x	7.9x	7.1x	6.6x	18.7x	15.2x	13.2x	21.2x	16.4x	13.2x
 DEXELANCE		0.9x	0.8x	0.8x	5.4x	4.9x	4.6x	7.1x	6.3x	5.9x	9.6x	8.1x	7.6x
Average		1.3x	1.2x	1.2x	9.8x	8.5x	7.8x	15.6x	13.0x	11.2x	15.5x	14.8x	12.9x
Median		1.2x	1.2x	1.1x	8.6x	8.1x	8.2x	14.5x	12.8x	12.0x	15.5x	15.5x	13.2x
Lighting													
 AcuityBrands		2.5x	2.3x	2.3x	13.9x	12.9x	12.3x	15.1x	14.2x	13.7x	19.7x	18.1x	n.a.
 Signify		0.7x	0.7x	0.7x	5.7x	5.3x	5.1x	7.9x	7.1x	6.7x	8.0x	7.1x	6.8x
 FAGERHULT		1.6x	1.6x	1.5x	11.0x	9.8x	8.9x	16.9x	14.9x	13.1x	22.2x	16.8x	14.3x
 zumtobel group		0.3x	0.3x	n.a.	3.4x	3.3x	n.a.	6.9x	6.5x	n.a.	7.4x	6.0x	n.a.
Average		1.3x	1.2x	1.5x	8.5x	7.8x	8.8x	11.7x	10.6x	11.2x	14.3x	12.0x	10.5x
Median		1.2x	1.1x	1.5x	8.4x	7.6x	8.9x	11.5x	10.6x	13.1x	13.8x	11.9x	10.5x

Contacts



Carlo Andrea Volpe
Co-Head of Investment Banking
Head of Corporate Advisory

mobile: +39 335 5782139
e-mail: c.volpe@equita.eu



Andrea Ferrari
Investment Banking Managing Director
Head of Equity Capital Markets

mobile: +39 335 1802667
e-mail: a.ferrari@equita.eu



Barbara Ronconi
Investment Banking Managing Director
Head of Consumer

mobile: +39 335 7302382
e-mail: b.ronconi@equita.eu



Emanuele Nesci
Investment Banking Analyst
Consumer

mobile: +39 331 8579795
e-mail: e.nesci@equita.eu

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