

**RESEARCH UPDATE**
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**Market Statistics** in USD

Price	\$ 15.35
52 week Range	\$8.62 - \$16.41
Daily Vol (3-mo. average)	43,432
Market Cap (M)	\$ 163.2
Enterprise Value (M)	\$ 148.2
Shares Outstanding: (M)	10.6
Float (M)	10.3

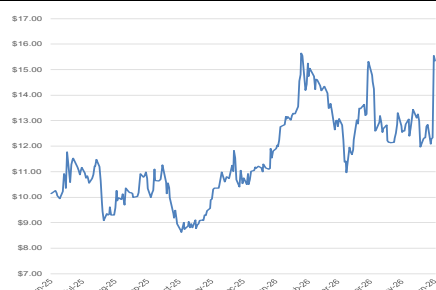
**Financial Summary** in USD

Pro Forma Cash (M)	\$ 15.0
Cash/Share	\$ 1.41
Debt (M)	\$ -
Equity (M)	\$ 169.1
Equity/Share	\$ 15.91

FYE: Jan	2026	2027E	2028E
<i>(all figures in M, expect per share information)</i>			

Rev	\$ 305.2	\$ 293.3	\$ 322.5
Chng%	-23%	-4%	10%
EBIT	\$ (23.1)	\$ 10.4	\$ 18.0
Net Income	\$ (27.0)	\$ 7.9	\$ 13.9
EPS	\$ (2.54)	\$ 0.73	\$ 1.29

EV/Revenue	0.4x	0.5x	0.5x
EV/EBIT	N/A	14.2x	8.2x
P/E	N/A	21.2x	11.9x


**COMPANY DESCRIPTION**

Hooker Furnishings is a designer, marketer, and importer of Casegoods (wooden and metal furniture), leather furniture, fabric-upholstered furniture, and outdoor furniture for the residential, hospitality and contract markets. Hooker was originally founded as a casegoods company by Clyde Hooker, Sr. in 1924. Clyde Hooker, Jr. took the helm as CEO in 1960, leading Hooker for 40 years. The Company began trading on the NASDAQ in 2002 under the symbol "HOFT", after a leveraged employee stock ownership plan (ESOP) required it to register with the SEC. The Company is one of five publicly traded furniture companies.

**HOOKER FURNISHINGS CORP. (NASDAQ: HOFT)**

HOFT reported revenue, operating income, and adj EPS of \$69.5M, \$1.6M, and \$0.10, respectively. This compares to our/consensus estimates of \$71.8M/\$66.3M, (\$0.6M)/(\$0.9M), and (\$0.04)/(\$0.07). HOFT reported 1Q27 revenue was down 2.4% y/y, as softer Hooker Branded and Domestic Upholstery sales were partially offset by higher hospitality shipments. The key read-through is that last year's portfolio simplification and \$17.5M fixed-cost reduction in continuing operations are now flowing through the P&L. Hooker Branded remained soft on the top line, with sales down 4.8%, but showed the clearest margin benefit from cost actions, with gross margin up 960bps to 39.4% and operating income of \$1.2M. Domestic Upholstery remained pressured with a \$(0.7)M operating loss. Overall, we view 1Q27 as further evidence that HOFT's earnings recovery is being driven by self-help, margin discipline, and tighter working-capital management.

**Growth Strategy:** HOFT's story has shifted from restructuring toward sustaining profitability on a cleaner operating base. Following last year's portfolio actions, the Company generated positive operating income in 1Q FY27 despite continued pressure in furniture demand. From here, growth is increasingly company-specific, led by Margaritaville commitments of 100 in-store galleries and 10 freestanding retail stores, roughly double the level discussed last quarter, with initial shipments beginning in May and meaningful shipments expected in 2H FY27. Management also introduced Hooker Custom Upholstery at the April High Point Market, combining Sam Moore and Bradington-Young under a unified premium platform. We view both initiatives as key drivers of revenue conversion as demand normalizes. Tariff refunds could provide upside, though no receivable has been recognized despite ~\$8.0M worth of refund claims in 1Q27.

**Outlook/Catalyst:** We continue to view HOFT as an earnings recovery story rather than a call on an immediate furniture demand rebound. Management remains cautious on 2Q27 given pressured housing activity, low consumer confidence, and soft furniture retail trends, but expects improved y/y results even if current conditions persist. Consolidated backlog was \$39.1M, up from \$37.4M a year ago, while May orders increased 8% y/y and backlog was up 14% y/y, primarily driven by Margaritaville. Key catalysts are 2H27 shipment conversion, sustained margin discipline, Domestic Upholstery stabilization, and management of pricing. We expect management to challenge for market share, setting the Company up to take advantage of any positive improvements to the macro environment while also maintaining profitability.

**Balance Sheet & Liquidity:** HOFT exited 1Q27 with \$10.6M of cash, no outstanding debt, and \$54.2M of available borrowing capacity, with cash increasing to over \$15M as of June 9. Inventory declined \$3.7M sequentially to \$45.0M, which we view as tighter working-capital discipline. The Company also began its \$5M share repurchase program during the quarter and maintained a \$0.46 annual dividend. We view the balance sheet as supportive of FY27 execution, giving HOFT flexibility to fund Margaritaville, support core growth initiatives, and return capital in a measured way.

**Valuation:** We use a DCF and a EV/EBIT comp analysis to guide our valuation. Our DCF analysis produces a valuation range of \$16.04 to \$17.99 with a mid-point of \$16.93. Our EV/EBIT valuation results in a range of \$16.96 to \$18.52 with a mid-point of \$17.74.

## Summary of Quarterly Results

## Exhibit 1: Quarterly Results vs. Model and Y/Y Change

	1Q27 results		Notes
	Reported	Model	
<b>Total revenues</b>	<b>69.5</b>	<b>71.8</b>	Revenues below our expectations
Cost of sales	48.9	53.7	
<b>Gross (loss) profit</b>	<b>20.6</b>	<b>18.1</b>	Gross margin beat expectations
<b>Gross margin</b>	<b>29.6%</b>	<b>25.3%</b>	
Corporate Expenses	18.5	18.0	
D&A	0.5	0.7	
Total opex	19.0	18.7	Operating expenses above our expectations
<b>Operating Profit</b>	<b>1.6</b>	<b>(0.6)</b>	
<b>Operating margin</b>	<b>2.3%</b>	<b>-0.8%</b>	Operating income beat our expectations on margins
<b>Net Income</b>	<b>1.1</b>	<b>(0.4)</b>	
<b>Net Income margin</b>	<b>1.5%</b>	<b>-0.6%</b>	Net income above our estimates
<b>EPS</b>	<b>\$ 0.10</b>	<b>\$ (0.04)</b>	

	Y/Y Change		Notes
	1Q27	1Q26	
<b>Total revenues</b>	<b>69.5</b>	<b>85.3</b>	Revenue pressured by import upholstery softness
Cost of sales	48.9	66.3	
<b>Gross (loss) profit</b>	<b>20.6</b>	<b>19.0</b>	Margin expansion led by Hooker Branded
<b>Gross margin</b>	<b>29.6%</b>	<b>22.3%</b>	
Corporate Expenses	18.5	21.7	
D&A	0.5	0.9	
Total opex	19.0	22.6	
<b>Operating Profit</b>	<b>1.6</b>	<b>(3.6)</b>	
<b>Operating margin</b>	<b>2.3%</b>	<b>-4.2%</b>	
<b>Net Income</b>	<b>1.1</b>	<b>(3.1)</b>	
<b>Net Income margin</b>	<b>1.5%</b>	<b>-3.6%</b>	
<b>EPS</b>	<b>\$ 0.10</b>	<b>\$ (0.29)</b>	

Source: Company Reports; Stonegate Capital Markets

## Valuation Summary

To help frame our valuation we use a combination of a dividend discount model, comparative analysis, and discounted cash flow analysis.

Our DCF analysis relies on a range of discount rates between 9.75% and 10.25% with a midpoint of 10.00%. This arrives at a valuation range of \$16.04 to \$17.99 with a mid-point of \$16.93.

### Sensitivity Analysis:

Discount rate	Terminal Growth Rates				
	1.0%	1.5%	2.0%	2.5%	3.0%
9.50%	\$16.98	\$17.45	\$17.98	\$18.59	\$19.29
9.75%	\$16.52	\$16.95	\$17.44	\$17.99	\$18.63
10.00%	\$16.08	\$16.48	\$16.93	\$17.44	\$18.02
10.25%	\$15.67	\$16.04	\$16.45	\$16.92	\$17.45
10.50%	\$15.28	\$15.62	\$16.00	\$16.43	\$16.92

### Comparative Analysis (all figures in M, except per share information)

Company Name	Symbol	Price <sup>(1)</sup>	Mrkt Cap	EV	BV/Share	EV/Revenue <sup>(2,3)</sup>			EV/EBIT <sup>(2,3)</sup>			P/E <sup>(2,3)</sup>		
						2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Flexsteel Industries, Inc.	FLXS	\$ 63.08	\$ 337.8	\$ 334.4	\$ 34.62	0.50x	0.74x	0.70x	6.3x	11.4x	10.3x	10.0x	13.7x	11.5x
The Lovesac Company	LOVE	\$ 16.35	\$ 239.3	\$ 373.2	\$ 14.04	0.55x	0.52x	0.48x	71.5x	31.4x	18.8x	53.3x	29.4x	16.0x
Bassett Furniture Industries, Incorporated	BSET	\$ 15.73	\$ 136.0	\$ 170.1	\$ 19.01	0.55x	0.51x	0.49x	22.8x	21.1x	10.5x	23.8x	17.5x	12.2x
La-Z-Boy Incorporated	LZB	\$ 38.49	\$ 1,575.2	\$ 1,834.7	\$ 25.47	0.80x	0.85x	0.83x	12.2x	12.8x	11.2x	18.3x	14.2x	12.4x
Mohawk Industries, Inc.	MHK	\$ 107.64	\$ 6,561.0	\$ 8,216.3	\$ 137.08	0.80x	0.75x	0.73x	12.0x	12.3x	10.9x	18.3x	12.5x	10.9x
<b>Average</b>						<b>\$ 46.05</b>	<b>0.64x</b>	<b>0.67x</b>	<b>0.65x</b>	<b>25.0x</b>	<b>17.8x</b>	<b>12.4x</b>	<b>24.7x</b>	<b>17.5x</b>
<b>Median</b>						<b>\$ 25.47</b>	<b>0.55x</b>	<b>0.74x</b>	<b>0.70x</b>	<b>12.2x</b>	<b>12.8x</b>	<b>10.9x</b>	<b>18.3x</b>	<b>14.2x</b>
Hooker Furnishings Corporation	HOFT	\$ 15.35	\$ 163.2	\$ 148.2	\$ 15.70	0.49x	0.51x	0.46x	(6.4)x	14.2x	8.2x	(4.4)x	21.2x	11.9x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

Source: Company reports, CapitalIQ, Stonegate Capital Partners

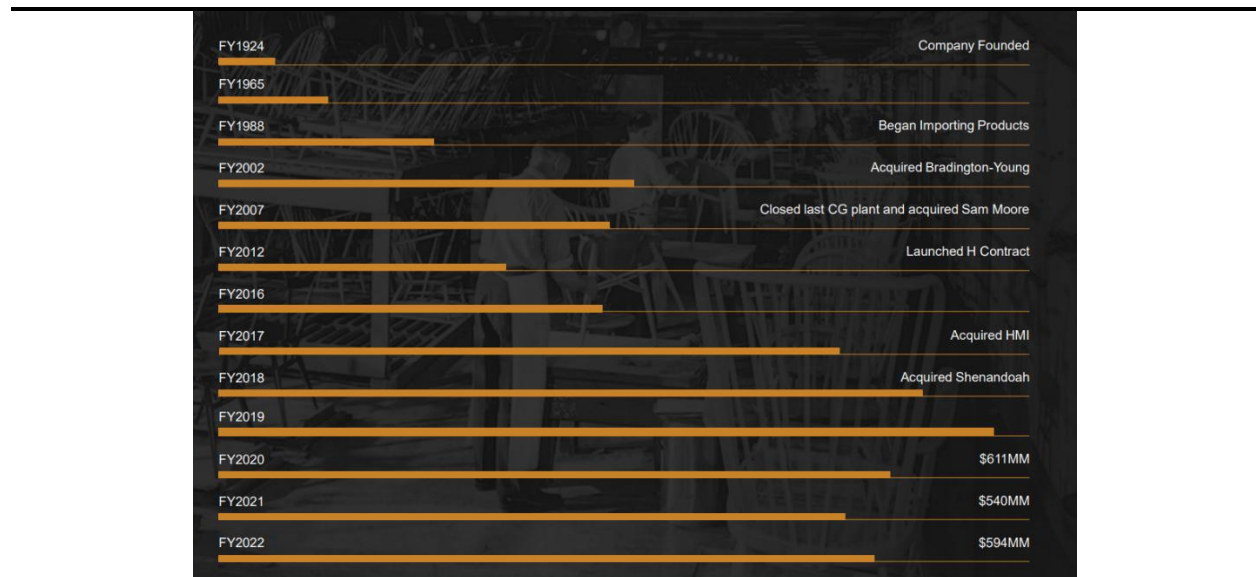
We are using an EV/EBIT framework to inform our HOFT valuation. Currently HOFT is trading at a CY27 EV/EBIT of 8.2x compared to comps at an average of 12.4x. Historically, comps have traded above 14.0x, which we rely on due to the recent volatility in the Home Furnishing industry. We are using our CY27 expected EBIT, and an EV/EBIT range of 10.0x to 11.0x with a midpoint of 10.5x which moves HOFT closer to historical comps. We believe this is reasonable given the continued strengthening of the Company's balance sheet and the outlook for the industry. This arrives at a valuation range of \$16.96 to \$18.52 with a mid-point of \$17.74.

	EV/EBIT		
<b>CY2027E</b>	<b>10.00x</b>	<b>10.50x</b>	<b>11.00x</b>
Adj EBIT	16.5	16.5	16.5
TEV	165.3	173.6	181.8
Cash	15.0	15.0	15.0
Debt	-	-	-
Mrkt Cap	180.3	188.6	196.8
S/O	10.6	10.6	10.6
<b>Price</b>	<b>\$ 16.96</b>	<b>\$ 17.74</b>	<b>\$ 18.52</b>

## Business Overview

Hooker Furnishings (“Hooker” or “The Company”) is a designer, marketer, and importer of Casegoods (wooden and metal furniture), leather furniture, fabric-upholstered furniture, and outdoor furniture for the residential, hospitality and contract markets. Hooker was originally founded as a casegoods company by Clyde Hooker, Sr. in 1924. Clyde Hooker, Jr. took the helm as CEO in 1960, leading Hooker for 40 years. The Company began trading on the NASDAQ in 2002 under the symbol “HOFT”, after a leveraged employee stock ownership plan (ESOP) required it to register with the SEC. The Company is one of five publicly traded furniture companies.

### Exhibit 1: Company History



Source: Company Presentation

The Company has a wide and diverse customer base with only one customer being responsible for more than 6% of consolidated sales in fiscal year 2025. Hooker sells its brands through various retailers such as independent furniture stores and national retail chains, department stores, catalog resellers, interior designers, and e-commerce retail chains amongst others. Hooker’s customers include reputable names like BAER’S FURNITURE CO., Berkshire Hathaway Inc., Macy’s, Inc., and Wayfair.

### Exhibit 2: Product Distribution Channels



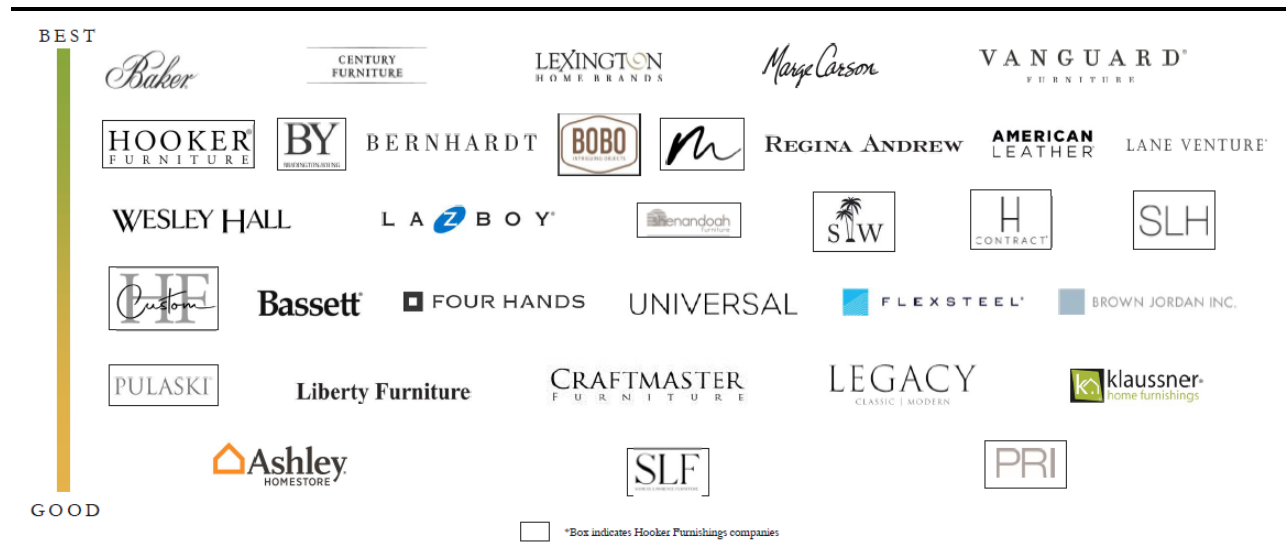
Source: Company Presentation

Hooker was an early adopter of importing furniture goods, sourcing its products from foreign manufacturers for over 3 decades. Imported casegoods and upholstered furniture accounted for 65.6% of sales at the end of fiscal year 2025. Asian countries such as China and Vietnam are historically Hooker’s predominate importers, however the Company is beginning to diversify to other countries including Malaysia, Mexico, and India. The diversification is important to counter economic and political constraints such as the ongoing and changing tariff environment.

### Business Segments

Hooker operates in two primary segments: Hooker Branded and Domestic Upholstery as well as All Other which encompasses the Company’s smaller brands. Hooker offers good to best quality product lines at medium to upper price points.

#### Exhibit 3: Hooker’s Brands



Source: Company Presentation

### Hooker Branded Segment

The Hooker Branded segment includes two businesses, Hooker Casegoods and Hooker Upholstery. Hooker is the 2nd largest casegoods supplier in the U.S. Casegoods is comprised of wood design categories covering home entertainment, home office, accent, dining, and bedroom furniture sold under the Hooker Furniture brand at upper-medium price points. Hooker Upholstery offers imported upholstered furniture targeted at the upper-medium price range. Upholstery presents HOFT with more upside, as upholstery has a shorter life cycle than casegoods and thus needs to be replaced more frequently. Hooker Branded generated \$35.3M of sales in 1Q27, accounting for 50.9% of consolidated revenue, compared to \$37.1M, or 52.1%, in the prior-year period.

### Domestic Upholstery Segment

Hooker’s domestic upholstery segments offer brands such as Bradington-Young, HF Custom (previously Sam Moore Furniture), Shenandoah Furniture, and Sunset West. This segment’s products are at the upper end of quality and pricing. They are made to order and ship quickly after production but are raw material intensive.

The 2022 acquisition of Sunset West, an outdoor brand, allowed further penetration in the west coast and showed synergies with Hooker's salesforce. Sunset West has maintained its position as a growth driver for the segment.

Domestic Upholstery generated \$28.4M of sales in 1Q27, accounting for 40.8% of consolidated revenue, compared to \$28.9M, or 40.6%, in the prior-year period

#### All Other

Hooker's All Other segment comprises of the H Contract product and Lifestyle Brands. The segment customers are primarily senior living facilities, with an expansion focus on bringing in country clubs and other facilities that require commercial furniture that look residential. All Other generated \$5.8M of sales in 1Q FY27, accounting for 8.3% of consolidated revenue, compared to \$5.2M, or 7.3%, in the prior-year period. Segment sales increased 11.7%, driven largely by hospitality, while operating income improved to \$1.1M from \$0.1M due to higher sales and lower costs from prior cost actions.

### Growth Strategy

In order to increase market share and grow the business, management developed key organic and inorganic growth initiatives. The initiatives include acquisitions, opening showrooms, and utilizing Ecommerce. Following recent portfolio simplification and fixed-cost reductions, HOFT's near-term growth strategy is increasingly focused on core-brand execution, Margaritaville, Hooker Custom Upholstery, and improved earnings conversion on the lower cost base.

Hooker has a history of making acquisitions to increase market share and expand into new markets. Hooker made its first acquisition in 2002 when it acquired Bradington-Young, a high end upholster of upscale motion and stationary leather furniture. This was followed by the acquisitions of Sam Moore in 2007, Home Meridian in 2016, and Shenandoah Furniture in 2017. In February 2022 Hooker acquired Sunset West, an outdoor furniture manufacturer. Management is confident in Sunset West's contributions going forward, maintaining that the business will offer Hooker double digit organic growth. Most recently the Company purchased BOBO Intriguing objects, an Atlanta-based lighting, décor, and accents designer. Aside from HMI's liquidation, Hooker's acquisitions have helped the Company generate strong and sustainable growth.

Hooker operates three showrooms in Atlanta, Georgia, High Point, North Carolina, and Las Vegas, Nevada. Hooker opened its High Point showroom at the April High Point Market, doubling its attendance from the previous year. In July 2023, Hooker debuted a 6,500 square foot showroom that will be operated year-round. The showrooms expand the Company's total addressable market and increase brand visibility. Efficiently operating the showrooms and strategically opening new ones will be key to growth going forward.

Most recently, the Company has entered into a licensing deal with Margaritaville that includes indoor and outdoor home furnishings for the residential, hospitality, and commercial markets. Margaritaville has become HOFT's most visible company-specific 2H FY27 growth driver, with retailer commitments now at 100 in-store galleries and 10 freestanding retail stores, roughly double the level discussed in December. Initial shipments began in May, with meaningful shipments expected in 2H27 and building through year-end and beyond.

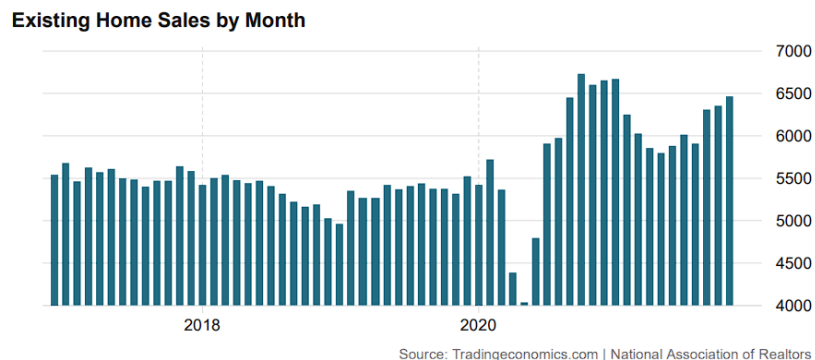
Management also introduced Hooker Custom Upholstery at the April 2026 High Point Market, combining Sam Moore and Bradington-Young under a unified premium platform. In our view, this should simplify the premium upholstery message under the Hooker name and improve go-to-market efficiency as demand normalizes.

Over the last decade Hooker has prioritized Ecommerce using the internet and social media to increase its market breadth. E-commerce remains an important distribution and brand-building channel as consumers continue to research and purchase furniture online. However, the near-term growth setup is more directly tied to Margaritaville shipment conversion, Hooker Custom Upholstery, and improved earnings conversion on the lower cost base.

## Market Overview

The Furniture industry is highly fragmented with over 1,000 independent players. Competitors include La-Z-Boy Incorporated along with a number of private companies for the Casegoods segment and Ashley Furniture Industries, Ethan Allen Interiors Inc., and Bassett Furniture, Inc. for the upholstery segment. Furniture demand is seasonal with contracted sales typically happening in Q1, resulting from shipping lags and stronger sales in the previous quarter. Demand is also reliant on housing trends. An increase in housing sales, shown in Exhibit 5, helps bolster the demand as homeowners look to furnish their houses. Consumers replacing old furniture during the pandemic and the explosion of the U.S. housing market that followed helped the industry recover sales volumes.

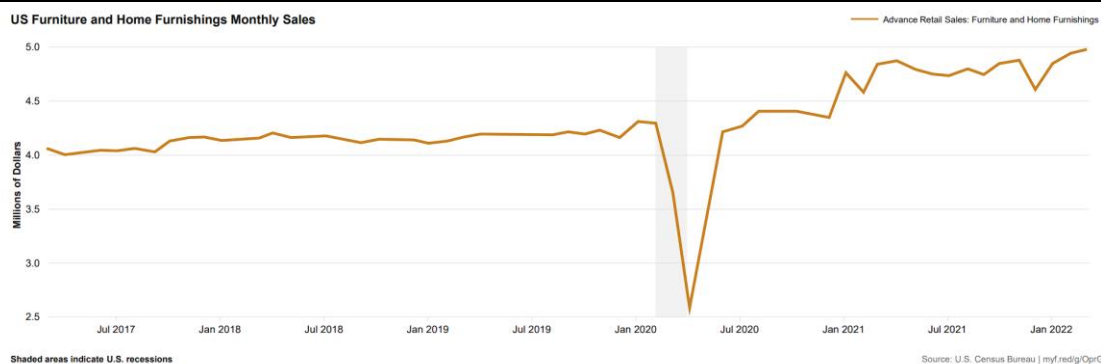
### Exhibit 5: Housing Trends



Source: Company Presentation

The Covid-19 pandemic had a significant impact on the U.S. furniture and home furnishing industry. Factory closures in Asia and halted demand followed by supply disruptions slowed business. Exhibit 6 illustrates the shock the pandemic had on the industry. Lockdowns in Asia impacted imports, decreasing inventory levels of furniture sellers. Hooker initially suffered but sales began to rebound as the pandemic subsided. The Company is now in the process of diversifying its supplier base away from China to Malaysia, Mexico, and India with the current supplier base being primarily located in Vietnam. The diversification is crucial for HOFT to be more resistant to economic shocks and political constraints going forward.

### Exhibit 6: Impact of Covid



Source: Company Presentation

## Risks

As with any investment, there are certain risks associated with HOFT's operations as well as with the surrounding economic and regulatory environments common to the furniture industry and operating with foreign suppliers.

**Competitive Industry** – HOFT operates in a highly competitive industry with an abundance of players, some of which are larger than the Company. Should the Company fail to expand its customer base or lose its current customers, the business will suffer. An overall decrease in the demand for furniture can increase competition and shrink HOFT's market share.

**Customer Concentration** – Hooker's top five customers made up approximately 26% of consolidated sales in fiscal year 2026. The loss of any of their largest customers could lead to a significant reduction in revenues. Moreover, a failure to attract new customers could impede the Company's growing market share. Alternatively, HOFT is also at risk of its retailers bypassing it by sourcing directly from non-U.S. suppliers.

**Supplier Concentration** – The majority of HOFT's products are sourced from factories in China and Vietnam, whose imports make up a majority of the Company's import purchases. Labor shortages and governmental regulations could disrupt HOFT's supply chain and interfere with its ability to meet customer demand. Health related shutdowns and tariffs are such hurdles HOFT could face.

**Volatile Housing Market** – The business is notably reliant on the health of the housing market. Fluctuations in existing home sales and new housing starts could lead to volatile sales volumes and earnings for HOFT. Existing home sales have steadily declined in 2023, which could adversely impact HOFT's demand going forward.

Discounted Cash Flow

<b>Hooker Furnishings Corporation</b>														
<b>Discounted Cash Flow Model</b>														
<i>(in \$M, except per share)</i>														
Estimates:	2025	2026	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	2037E	Terminal Value
Revenue	397.5	305.2	293.3	322.5	345.8	369.7	391.9	413.0	432.5	449.8	466.4	481.8	497.7	
Operating Income	(18.2)	(23.7)	10.2	17.6	14.9	15.2	15.7	16.5	17.3	18.0	18.7	19.3	19.9	
Less: Taxes (benefit)	(3.9)	(5.9)	2.3	3.9	3.0	3.0	3.1	3.3	3.5	3.6	3.7	3.9	4.0	
NOPAT	(14.3)	(17.8)	8.0	13.7	11.9	12.1	12.5	13.2	13.8	14.4	14.9	15.4	15.9	
Plus: Depreciation & Amortization	9.2	7.1	4.7	4.5	4.5	4.4	4.3	4.1	4.1	4.3	4.4	4.6	4.7	
Plus: Changes in WC	22.2	35.9	(0.7)	(0.8)	(0.9)	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	
Less: Capex	(3.2)	(3.2)	(2.2)	(2.6)	(2.8)	(3.0)	(3.1)	(2.5)	(2.6)	(2.7)	(2.8)	(2.9)	(3.0)	
Free Cash Flow	13.9	22.0	9.7	14.8	12.8	12.7	12.7	13.8	14.3	14.8	15.4	15.9	16.4	209.4
Discount period - months			9	21	33	45	57	69	81	93	105	117	129	
Discount period - years			0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	
Discount factor			0.93	0.85	0.77	0.70	0.64	0.58	0.53	0.48	0.43	0.39	0.36	
PV of FCF			9.0	12.5	9.8	8.9	8.1	8.0	7.5	7.1	6.7	6.3	5.9	75.2
<b>Growth rate assumptions:</b>														
Revenue		-23.2%	-3.9%	10.0%	7.2%	6.9%	6.0%	5.4%	4.7%	4.0%	3.7%	3.3%	3.3%	
Operating Income		29.7%	-143.2%	72.3%	-15.5%	1.9%	3.4%	5.4%	4.7%	4.0%	3.7%	3.3%	3.3%	
Free Cash Flow		58.4%	-55.9%	52.5%	-13.8%	-0.6%	0.4%	8.6%	3.1%	4.0%	3.7%	3.3%	3.3%	
<b>Margin assumptions:</b>														
Operating Income	-4.6%	-7.7%	3.5%	5.5%	4.3%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
D&A as a % of sales	2.3%	2.3%	1.6%	1.4%	1.3%	1.2%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Taxes	21.5%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	
Changes in WC	5.6%	11.8%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	
Capex as a % of sales	-0.8%	-1.0%	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	
<b>Valuation:</b>														
Shares outstanding	10.6													
PV of FCF	89.8													
PV of Terminal Value	75.2													
Enterprise Value	165.0													
less: Net Debt	(15.0)													
Estimated Total Value:	180.0													
<b>Est Equity Value/share:</b>	<b>\$16.93</b>													
Price	\$15.35													

<b>Sensitivity Analysis:</b>						
		<b>Terminal Growth Rates</b>				
		1.0%	1.5%	2.0%	2.5%	3.0%
<b>Discount rate</b>	9.50%	\$16.98	\$17.45	\$17.98	\$18.59	\$19.29
	9.75%	\$16.52	\$16.95	\$17.44	\$17.99	\$18.63
	10.00%	\$16.08	\$16.48	\$16.93	\$17.44	\$18.02
	10.25%	\$15.67	\$16.04	\$16.45	\$16.92	\$17.45
	10.50%	\$15.28	\$15.62	\$16.00	\$16.43	\$16.92

Source: Company Reports; Stonegate Capital Markets

Balance Sheet

Hooker Furnishings Corporation Consolidated Balance Sheets (\$M) Fiscal Year End: January																						
ASSETS	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Apr-23	Q2 Jul-23	Q3 Oct-23	Q4 Jan-24	FY 2024	Q1 Apr-24	Q2 Jul-24	Q3 Oct-24	Q4 Jan-25	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 Jan-26	FY 2026	Q1 Apr-26
Cash and Cash Equivalents	30.9	11.4	36.0	65.8	69.4	19.0	31.0	50.0	39.8	43.2	43.2	40.9	42.1	20.4	6.3	6.3	18.0	0.8	1.4	1.1	1.1	10.6
Income Tax Recoverable	-	-	0.8	-	4.4	3.1	3.0	3.0	3.1	3.0	3.0	2.5	1.9	3.0	0.5	0.5	-	0.0	0.1	-	-	-
Inventories	84.5	105.2	92.8	70.2	75.0	96.7	73.2	63.4	65.2	61.8	61.8	56.6	57.1	51.8	70.8	70.8	64.3	58.5	52.1	48.7	48.7	45.0
Accounts Receivables	92.8	112.6	87.7	83.3	73.7	62.1	54.5	39.4	59.1	51.3	51.3	49.6	44.0	66.5	58.2	58.2	39.6	41.3	31.7	37.8	37.8	30.9
Insurance Proceeds Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	5.3	5.7	4.7	4.4	5.2	6.4	7.6	7.4	5.9	5.5	5.5	7.3	9.3	9.0	5.4	5.4	6.1	7.4	20.1	5.3	5.3	5.3
<b>Total Current Assets</b>	<b>213.5</b>	<b>234.9</b>	<b>222.0</b>	<b>223.7</b>	<b>227.7</b>	<b>187.3</b>	<b>169.2</b>	<b>163.2</b>	<b>173.0</b>	<b>164.8</b>	<b>164.8</b>	<b>156.9</b>	<b>154.3</b>	<b>150.7</b>	<b>141.1</b>	<b>141.1</b>	<b>128.1</b>	<b>108.1</b>	<b>105.4</b>	<b>92.9</b>	<b>92.9</b>	<b>91.9</b>
Operating Lease Right-of-use Assets	-	-	39.5	34.6	51.9	68.9	66.8	58.6	54.2	50.8	50.8	49.2	48.0	47.4	45.6	45.6	43.7	41.8	24.4	23.0	23.0	21.7
Property, Plant and Equipment, Net	29.2	29.5	29.9	26.8	28.1	27.0	29.1	28.4	29.1	29.1	29.1	28.9	28.4	28.5	28.2	28.2	28.2	28.2	25.0	25.2	25.2	22.2
Deferred Taxes	3.3	4.5	2.9	14.2	11.6	14.5	14.2	14.0	12.0	12.0	12.0	13.3	14.0	15.6	16.1	16.1	17.1	18.1	24.9	24.9	24.9	24.8
Goodwill	40.1	40.1	40.1	0.5	0.5	15.0	15.0	15.1	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	0.6	0.6	0.6	0.6
Intangible Assets	38.1	35.8	33.4	26.2	23.9	31.8	30.9	30.5	29.5	28.6	28.6	27.7	29.4	23.9	22.1	22.1	21.2	20.3	13.5	13.0	13.0	12.4
Other Assets	2.2	1.2	1.1	0.9	4.5	9.7	11.0	12.3	13.4	14.7	14.7	15.7	16.6	16.7	16.6	16.6	16.4	16.3	16.2	15.8	15.8	18.4
Cash Surrender Value of Life Insurance Policies	23.6	23.8	24.9	25.4	26.5	27.6	27.9	28.1	28.3	28.5	28.5	28.7	28.8	29.0	29.2	29.2	30.0	30.2	30.2	30.4	30.4	31.3
<b>Total Assets</b>	<b>350.1</b>	<b>369.7</b>	<b>393.7</b>	<b>352.3</b>	<b>374.6</b>	<b>381.7</b>	<b>364.1</b>	<b>350.1</b>	<b>354.5</b>	<b>343.6</b>	<b>343.6</b>	<b>335.5</b>	<b>332.4</b>	<b>326.9</b>	<b>313.9</b>	<b>313.9</b>	<b>299.7</b>	<b>278.0</b>	<b>240.2</b>	<b>225.9</b>	<b>225.9</b>	<b>223.2</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>																						
Trade Accounts Payable	32.7	40.8	25.5	32.2	30.9	16.1	16.0	14.1	23.3	16.5	16.5	18.6	19.9	23.2	20.0	20.0	11.5	14.1	12.4	11.0	11.0	12.1
Other Accrued Expenses	2.9	3.6	4.2	3.4	4.3	7.4	2.7	2.3	3.1	3.3	3.3	2.4	2.2	2.8	2.9	2.9	2.6	2.9	2.3	2.1	2.1	2.3
Accrued Salaries, Wages and Benefits	9.2	8.0	4.9	7.1	7.1	9.3	5.7	6.4	6.7	7.4	7.4	5.6	6.1	6.9	3.9	3.9	4.0	4.5	4.8	3.7	3.7	4.7
Current Portion of Long-term Debt	7.5	5.8	5.8	-	-	1.4	1.4	1.4	1.4	1.4	1.4	22.5	22.2	21.9	-	-	-	-	-	-	-	-
Current Portion of Operating Lease Liabilities	-	-	6.3	6.7	7.5	7.3	7.4	8.3	7.0	7.0	7.0	7.1	7.3	7.6	7.5	7.5	7.6	7.8	5.4	5.4	5.4	5.4
Accrued Income Taxes	3.7	3.2	-	0.5	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.2
Customer Deposits	4.3	3.0	3.4	4.3	7.1	8.5	6.6	6.9	5.0	5.9	5.9	6.6	8.7	5.8	5.7	5.7	6.4	6.8	5.3	5.3	5.3	5.2
Current Liabilities Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.2	-	-	-
Legal Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>60.3</b>	<b>64.4</b>	<b>50.1</b>	<b>54.1</b>	<b>56.9</b>	<b>50.0</b>	<b>39.8</b>	<b>39.4</b>	<b>46.6</b>	<b>41.4</b>	<b>41.4</b>	<b>62.9</b>	<b>66.5</b>	<b>68.3</b>	<b>40.0</b>	<b>40.0</b>	<b>32.5</b>	<b>36.1</b>	<b>39.5</b>	<b>27.6</b>	<b>27.6</b>	<b>29.8</b>
Long-term Debt	45.8	29.6	24.3	-	-	22.9	22.5	22.2	21.8	21.5	21.5	-	-	-	21.7	21.7	22.3	5.2	3.8	3.2	3.2	-
Operating Lease Liabilities	-	-	33.8	29.4	46.6	63.8	61.9	54.2	49.7	46.4	46.4	44.9	43.5	42.8	41.1	41.1	39.1	37.1	20.8	19.5	19.5	18.2
Pension Plan	2.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Compensation	11.2	11.5	11.4	11.2	9.9	8.2	8.0	7.9	7.7	7.4	7.4	7.3	7.1	7.0	6.8	6.8	6.6	6.5	6.3	6.4	6.4	6.1
Other Liabilities	0.9	1.0	-	-	-	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>120.6</b>	<b>106.5</b>	<b>119.6</b>	<b>94.8</b>	<b>113.4</b>	<b>145.7</b>	<b>133.0</b>	<b>124.4</b>	<b>126.7</b>	<b>117.6</b>	<b>117.6</b>	<b>115.9</b>	<b>117.1</b>	<b>118.1</b>	<b>109.6</b>	<b>109.6</b>	<b>100.5</b>	<b>84.9</b>	<b>70.5</b>	<b>56.6</b>	<b>56.6</b>	<b>54.1</b>
Common Stock	49.0	49.5	51.6	53.3	53.3	50.8	50.1	49.6	49.5	49.5	49.5	49.7	50.0	50.0	50.5	50.5	50.8	50.6	51.0	51.4	51.4	51.5
Retained Earnings	180.1	213.4	223.3	205.0	207.9	184.4	180.2	175.3	177.6	175.7	175.7	169.2	164.7	158.1	153.3	153.3	147.8	142.0	118.3	117.6	117.6	117.4
Accumulated Other Comprehensive Income	0.4	0.2	(0.7)	(0.8)	(0.1)	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.3	0.3	0.3
<b>Total Consolidated Equity</b>	<b>229.5</b>	<b>263.2</b>	<b>274.1</b>	<b>257.5</b>	<b>261.1</b>	<b>236.0</b>	<b>231.0</b>	<b>225.7</b>	<b>227.8</b>	<b>226.0</b>	<b>226.0</b>	<b>219.6</b>	<b>215.3</b>	<b>208.8</b>	<b>204.4</b>	<b>204.4</b>	<b>199.2</b>	<b>193.1</b>	<b>169.8</b>	<b>169.2</b>	<b>169.2</b>	<b>169.1</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>350.1</b>	<b>369.7</b>	<b>393.7</b>	<b>352.3</b>	<b>374.6</b>	<b>381.7</b>	<b>364.1</b>	<b>350.1</b>	<b>354.5</b>	<b>343.6</b>	<b>343.6</b>	<b>335.5</b>	<b>332.4</b>	<b>326.9</b>	<b>313.9</b>	<b>313.9</b>	<b>299.7</b>	<b>278.0</b>	<b>240.2</b>	<b>225.9</b>	<b>225.9</b>	<b>223.2</b>
<b>Liquidity</b>																						
Current Ratio	3.5x	3.6x	4.4x	4.1x	4.0x	3.7x	4.3x	4.1x	3.7x	4.0x	4.0x	2.5x	2.3x	2.2x	3.5x	3.5x	3.9x	3.0x	2.7x	3.4x	3.4x	3.1x
Quick Ratio	1.1x	1.2x	1.1x	1.6x	1.3x	0.6x	0.7x	0.8x	181.0x	178.4x	178.4x	0.9x	0.8x	175.7x	172.4x	172.4x	0.6x	0.6x	134.4x	132.6x	132.6x	0.9x
Working Capital (\$M)	153.2	170.5	171.8	169.6	170.8	137.3	129.5	123.8	126.4	123.4	123.4	94.0	87.9	82.40	101.15	101.15	95.6	72.0	65.90	65.27	65.27	62.1
<b>Leverage</b>																						
Net Debt to Equity	0.10x	0.09x	-0.02x	-0.26x	-0.27x	0.02x	-0.03x	-0.12x	-0.07x	-0.09x	-0.09x	-0.08x	-0.09x	0.01x	0.08x	0.08x	0.02x	0.02x	0.01x	0.01x	0.01x	-0.06x
Net Debt to Capital	0.06x	0.06x	-0.02x	-0.19x	-0.19x	0.01x	-0.02x	-0.08x	-0.05x	-0.06x	-0.06x	-0.05x	-0.06x	0.00x	0.05x	0.05x	0.01x	0.02x	0.01x	0.01x	0.01x	-0.05x
<b>Capital Usage - Annualized</b>																						
A/R Turns	-	2.0x	1.8x	2.0x	1.8x	1.9x	2.1x	2.1x	2.4x	1.8x	1.8x	1.9x	2.0x	1.9x	1.7x	1.7x	1.7x	2.0x	1.9x	1.9x	1.9x	2.0x
Days Sales Outstanding	-	181.6	199.5	186.4	199.4	192.1	174.8	175.3	153.9	208.1	208.1	196.7	179.6	193.2	217.8	217.8	209.2	179.8	188.5	189.4	189.4	180.6
A/P Turnover	-	4.0x	5.1x	4.0x	4.9x	4.4x	5.9x	5.0x	4.4x	3.6x	3.6x	4.2x	3.8x	3.7x	3.6x	3.6x	4.2x	5.1x	4.0x	4.0x	4.0x	4.2x
Days Payable Outstanding	-	92.1	72.2	91.0	74.5	83.5	62.3	73.7	82.0	101.4	101.4	86.1	94.8	98.0	101.1	101.1	86.8	71.7	92.1	91.3	91.3	86.3

Income Statement

Hooker Furnishings Corporation Consolidated Statements of Income (in \$M, except per share amounts) Fiscal Year End: January																							
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 Jan-26	FY 2026	Q1 Apr-26	Q2 E Jul-26	Q3 E Oct-26	Q4 E Jan-27	FY 2027E	Q1 E Apr-27	Q2 E Jul-27	Q3 E Oct-27	Q4 E Jan-28	FY 2028E
Revenues	\$ 620.6	\$ 683.5	\$ 610.8	\$ 540.1	\$ 593.6	\$ 583.1	\$ 433.2	\$ 397.5	\$ 85.3	\$ 82.1	\$ 70.7	\$ 67.0	\$ 305.2	\$ 69.5	\$ 65.2	\$ 79.4	\$ 79.3	\$ 293.3	\$ 78.2	\$ 76.2	\$ 84.6	\$ 83.4	\$ 322.5
<b>Total Revenues</b>	<b>620.6</b>	<b>683.5</b>	<b>610.8</b>	<b>540.1</b>	<b>593.6</b>	<b>583.1</b>	<b>433.2</b>	<b>397.5</b>	<b>85.3</b>	<b>82.1</b>	<b>70.7</b>	<b>67.0</b>	<b>305.2</b>	<b>69.5</b>	<b>65.2</b>	<b>79.4</b>	<b>79.3</b>	<b>293.3</b>	<b>78.2</b>	<b>76.2</b>	<b>84.6</b>	<b>83.4</b>	<b>322.5</b>
Operating Expenses:																							
Cost of Sales	485.8	536.0	496.9	427.3	490.0	460.7	323.1	306.9	66.3	65.3	52.6	46.9	231.2	48.9	46.3	56.0	56.1	207.2	55.4	54.4	59.5	58.3	227.7
Inventory Valuation Expense	-	-	-	-	2.0	29.1	1.5	2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross Profit</b>	<b>134.8</b>	<b>147.5</b>	<b>114.0</b>	<b>112.7</b>	<b>101.7</b>	<b>93.3</b>	<b>108.7</b>	<b>88.5</b>	<b>19.0</b>	<b>16.8</b>	<b>18.1</b>	<b>20.1</b>	<b>74.0</b>	<b>20.6</b>	<b>18.9</b>	<b>23.3</b>	<b>23.2</b>	<b>86.1</b>	<b>22.8</b>	<b>21.8</b>	<b>25.1</b>	<b>25.1</b>	<b>94.9</b>
Selling, General, and Expenses	87.3	91.9	88.9	80.4	84.5	95.8	92.7	100.2	21.7	20.4	18.2	18.9	79.1	18.5	18.3	18.5	18.5	73.7	18.5	18.6	18.7	18.7	74.5
Intangible Asset Amortization	2.1	2.4	2.4	2.4	2.4	3.5	3.7	3.7	0.9	0.9	0.6	0.5	3.0	0.5	0.5	0.5	0.5	2.2	0.7	0.7	0.7	0.7	2.8
Trade Name Impairment Charges	-	-	-	4.8	-	0.0	-	2.8	-	-	15.6	-	15.6	-	-	-	-	-	-	-	-	-	-
Goodwill Impairment Charges	-	-	-	39.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	89.4	94.3	91.3	127.1	86.9	99.3	96.3	106.7	22.6	21.2	34.4	19.5	97.7	19.0	18.8	19.0	19.0	75.8	19.2	19.3	19.4	19.4	77.3
<b>Operating Income</b>	<b>45.5</b>	<b>53.2</b>	<b>22.7</b>	<b>(14.4)</b>	<b>14.8</b>	<b>(6.0)</b>	<b>12.4</b>	<b>(18.2)</b>	<b>(3.6)</b>	<b>(4.4)</b>	<b>(16.3)</b>	<b>0.6</b>	<b>(23.7)</b>	<b>1.6</b>	<b>0.1</b>	<b>4.3</b>	<b>4.2</b>	<b>10.2</b>	<b>3.6</b>	<b>2.5</b>	<b>5.7</b>	<b>5.7</b>	<b>17.6</b>
Other Income/(Expense)	1.6	(0.1)	0.5	0.3	0.4	0.4	1.7	3.1	0.1	0.1	0.3	0.0	0.5	(0.1)	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.4
Interest Expense	1.2	1.5	1.2	0.5	0.1	0.5	1.6	1.3	0.4	0.2	0.1	0.1	0.8	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.2
<b>Profit Before Taxes</b>	<b>45.8</b>	<b>51.6</b>	<b>21.9</b>	<b>(14.6)</b>	<b>15.1</b>	<b>(6.1)</b>	<b>12.4</b>	<b>(16.4)</b>	<b>(3.8)</b>	<b>(4.5)</b>	<b>(16.1)</b>	<b>0.5</b>	<b>(23.9)</b>	<b>1.4</b>	<b>0.2</b>	<b>4.3</b>	<b>4.3</b>	<b>10.2</b>	<b>3.7</b>	<b>2.6</b>	<b>5.8</b>	<b>5.8</b>	<b>17.8</b>
Provision for Income Tax	17.5	11.7	4.8	(4.1)	3.4	(1.8)	2.6	(3.9)	(0.8)	(1.2)	(3.6)	(0.3)	(5.9)	0.3	0.0	1.0	0.9	2.3	0.8	0.6	1.3	1.3	3.9
<b>Net Income from Continuing Operations</b>	<b>28.3</b>	<b>39.9</b>	<b>17.1</b>	<b>(10.4)</b>	<b>11.7</b>	<b>(4.3)</b>	<b>9.9</b>	<b>(12.5)</b>	<b>(3.1)</b>	<b>(3.3)</b>	<b>(12.5)</b>	<b>0.9</b>	<b>(18.0)</b>	<b>1.1</b>	<b>0.1</b>	<b>3.4</b>	<b>3.3</b>	<b>7.9</b>	<b>2.9</b>	<b>2.0</b>	<b>4.5</b>	<b>4.5</b>	<b>13.9</b>
Impact from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	(8.6)	(0.3)	(9.0)	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>28.3</b>	<b>39.9</b>	<b>17.1</b>	<b>(10.4)</b>	<b>11.7</b>	<b>(4.3)</b>	<b>9.9</b>	<b>(12.5)</b>	<b>(3.1)</b>	<b>(3.3)</b>	<b>(21.2)</b>	<b>0.5</b>	<b>(27.0)</b>	<b>1.1</b>	<b>0.1</b>	<b>3.4</b>	<b>3.3</b>	<b>7.9</b>	<b>2.9</b>	<b>2.0</b>	<b>4.5</b>	<b>4.5</b>	<b>13.9</b>
<b>Basic EPS</b>	<b>\$ 2.43</b>	<b>\$ 3.39</b>	<b>\$ 1.45</b>	<b>\$ (0.88)</b>	<b>\$ 0.99</b>	<b>\$ (0.37)</b>	<b>\$ 0.91</b>	<b>\$ (1.19)</b>	<b>\$ (0.29)</b>	<b>\$ (0.31)</b>	<b>\$ (1.99)</b>	<b>\$ 0.05</b>	<b>\$ (2.54)</b>	<b>\$ 0.10</b>	<b>\$ 0.01</b>	<b>\$ 0.31</b>	<b>\$ 0.30</b>	<b>\$ 0.73</b>	<b>\$ 0.27</b>	<b>\$ 0.19</b>	<b>\$ 0.42</b>	<b>\$ 0.42</b>	<b>\$ 1.29</b>
<b>Diluted EPS</b>	<b>\$ 2.43</b>	<b>\$ 3.39</b>	<b>\$ 1.45</b>	<b>\$ (0.88)</b>	<b>\$ 0.98</b>	<b>\$ (0.37)</b>	<b>\$ 0.91</b>	<b>\$ (1.19)</b>	<b>\$ (0.29)</b>	<b>\$ (0.31)</b>	<b>\$ (1.99)</b>	<b>\$ 0.05</b>	<b>\$ (2.54)</b>	<b>\$ 0.10</b>	<b>\$ 0.01</b>	<b>\$ 0.31</b>	<b>\$ 0.30</b>	<b>\$ 0.72</b>	<b>\$ 0.27</b>	<b>\$ 0.19</b>	<b>\$ 0.42</b>	<b>\$ 0.42</b>	<b>\$ 1.29</b>
WTD Shares Out - Basic	11.6	11.8	11.8	11.8	11.9	11.6	10.7	10.5	10.6	10.6	10.6	10.6	10.6	10.6	11.0	11.0	11.0	10.9	10.8	10.7	10.7	10.7	10.8
WTD Shares Out - Diluted	11.6	11.8	11.8	11.8	12.0	11.6	10.8	10.5	10.6	10.6	10.6	10.7	10.6	10.8	11.0	11.0	11.0	10.9	10.8	10.7	10.7	10.7	10.8

Margin Analysis																							
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 Jan-26	FY 2026	Q1 Apr-26	Q2 E Jul-26	Q3 E Oct-26	Q4 E Jan-27	FY 2027E	Q1 E Apr-27	Q2 E Jul-27	Q3 E Oct-27	Q4 E Jan-28	FY 2028E
Gross Margin	21.7%	21.6%	18.7%	20.9%	17.1%	16.0%	25.1%	22.3%	22.3%	20.5%	25.6%	30.0%	24.3%	29.6%	29.0%	29.4%	29.3%	29.3%	29.2%	28.6%	29.7%	30.1%	29.4%
Operating Margin	7.3%	7.8%	3.7%	-2.7%	2.5%	-1.0%	2.9%	-4.6%	-4.2%	-5.4%	-23.1%	0.9%	-7.7%	2.3%	0.2%	5.4%	5.3%	3.5%	4.7%	3.3%	6.8%	6.8%	5.5%
EBITDA Margin	7.8%	7.7%	3.9%	-2.3%	3.0%	-0.5%	3.7%	-2.7%	-3.7%	-4.5%	-21.7%	1.5%	-6.9%	2.5%	1.1%	6.2%	6.2%	4.2%	5.7%	4.3%	7.7%	7.8%	6.4%
Pre-Tax Margin	7.4%	7.5%	3.6%	-2.7%	2.5%	-1.1%	2.9%	-4.1%	-4.5%	-5.5%	-22.8%	0.8%	-7.8%	2.0%	0.2%	5.5%	5.4%	3.5%	4.7%	3.3%	6.8%	6.9%	5.5%
Net Income Margin	4.6%	5.8%	2.8%	-1.9%	2.0%	-0.7%	2.3%	-3.1%	-3.6%	-4.0%	-29.9%	0.8%	-8.8%	1.5%	0.2%	4.3%	4.2%	2.7%	3.7%	2.6%	5.3%	5.4%	4.3%
Tax Rate	38.3%	22.7%	22.1%	28.4%	22.4%	29.9%	20.7%	23.9%	20.0%	26.9%	22.3%	-60.7%	24.7%	23.5%	22.0%	22.0%	22.0%	22.2%	22.0%	22.0%	22.0%	22.0%	22.0%

Growth Rate Y/Y																							
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 Jan-26	FY 2026	Q1 Apr-26	Q2 E Jul-26	Q3 E Oct-26	Q4 E Jan-27	FY 2027E	Q1 E Apr-27	Q2 E Jul-27	Q3 E Oct-27	Q4 E Jan-28	FY 2028E
Total Revenue		10.1%	-10.6%	-11.6%	9.9%	-1.8%	-25.7%	-8.3%	-8.8%	-13.6%	-32.2%	-35.9%	-23.2%	-18.6%	-20.7%	12.2%	18.4%	-3.9%	12.7%	17.0%	6.6%	5.2%	10.0%
Total cost of revenues		5.5%	-3.2%	39.3%	-31.7%	14.4%	-3.0%	10.8%	-7.5%	-11.8%	10.0%	-27.9%	-8.5%	-15.7%	-11.5%	-44.6%	-2.4%	-22.3%	1.0%	2.7%	1.6%	2.1%	1.8%
Operating Income		17.0%	-57.3%	-163.3%	-203.3%	-140.7%	-304.4%	-247.5%	-31.1%	39.8%	124.7%	-123.7%	29.7%	-144.3%	-102.3%	-126.3%	574.1%	-143.2%	131.0%	2374.0%	33.7%	34.7%	72.3%
Pre-Tax Income		12.7%	-57.5%	-166.4%	-203.7%	-140.7%	-302.3%	-232.0%	-22.2%	140.1%	131.6%	-120.3%	45.5%	-136.3%	-103.4%	-126.9%	688.6%	-142.6%	166.4%	1588.9%	33.3%	34.3%	75.0%
Net Income		41.1%	-57.2%	-161.0%	-212.4%	-136.8%	-328.8%	-226.8%	-25.4%	68.0%	412.6%	-123.0%	115.6%	-134.8%	-103.6%	-116.0%	524.3%	-129.3%	171.7%	1588.9%	33.3%	34.3%	75.0%

Source: Company Reports, Stonegate Capital Partners estimates

Statement of Cash Flows

Hooker Furnishings Corporation Consolidated Cash Flow Statements (\$M) Fiscal Year End: January																						
CASH FLOW	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Q1 Apr-23	Q2 Jul-23	Q3 Oct-23	Q4 Jan-24	FY 2024	Q1 Apr-24	Q2 Jul-24	Q3 Oct-24	Q4 Jan-25	FY 2025	Q1 Apr-25	Q2 Jul-25	Q3 Oct-25	Q4 Jan-26	FY 2026	Q1 Apr-26
<b>Operating Activities</b>																						
Net Income	28.3	39.9	17.1	(10.4)	11.7	(4.3)	1.5	0.8	7.0	0.6	9.9	(4.1)	(2.0)	(4.1)	(2.3)	(12.5)	(3.1)	(3.3)	(7.3)	0.9	(12.8)	1.1
Inventory Valuation Expense	-	-	-	0.5	3.4	28.8	-	-	-	1.8	1.8	-	-	-	0.6	0.6	-	-	-	-	-	-
Depreciation and Amortization	6.6	7.4	7.1	6.8	7.8	8.8	2.1	2.2	2.3	2.3	9.0	2.3	2.3	2.3	2.3	9.2	2.2	2.2	1.0	1.7	7.1	1.8
Deferred Income Tax Expense	3.5	(1.9)	(1.2)	(10.8)	1.8	(3.2)	0.3	0.2	2.1	(0.1)	2.5	(1.3)	(0.6)	(1.6)	(0.5)	(4.0)	(1.1)	(0.9)	(6.8)	0.0	(8.8)	0.2
Deferred Income Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0	0.9	2.8	-	-	15.6	-	15.6
Noncash Restricted Stock and Performance Awards	1.2	1.3	1.3	1.7	(0.0)	1.2	0.4	0.7	0.6	0.0	1.7	0.2	0.2	0.1	0.4	1.0	0.4	(0.2)	0.4	0.4	0.9	0.2
Provision for Doubtful Accounts and Sales Allowances	(0.5)	(0.8)	(0.4)	4.7	0.0	(3.7)	0.0	(0.5)	0.2	(0.5)	(0.7)	(0.4)	0.1	0.6	3.1	3.3	(0.2)	0.1	0.4	(0.6)	(0.4)	0.5
Gain on Life Insurance Policies	(0.6)	(0.7)	(0.8)	(1.2)	(1.0)	(1.2)	(0.6)	(0.1)	(0.1)	(0.2)	(1.0)	(0.9)	(0.7)	0.5	(0.2)	(1.2)	(0.7)	(0.0)	(0.5)	(0.1)	(1.3)	(0.8)
Loss on Sales of Assets	0.6	(0.1)	(0.3)	-	(0.0)	0.1	-	0.0	(0.0)	0.0	0.0	-	(0.0)	-	-	-	0.0	-	-	0.0	0.0	(0.0)
Trade Accounts Receivable	2.9	(18.0)	25.3	(0.3)	9.5	16.8	7.6	15.6	(19.8)	8.2	11.6	2.1	5.5	(8.4)	(9.9)	(10.2)	18.8	(1.8)	(3.5)	(5.4)	8.1	6.4
Inventories	(6.8)	(21.3)	12.4	22.1	(8.3)	(47.8)	23.5	11.6	(1.8)	1.5	34.8	5.2	(0.5)	(9.4)	(4.9)	(9.6)	6.4	5.8	1.9	3.5	17.5	3.7
Income Tax Recoverable	-	-	(0.8)	0.8	(4.4)	1.3	0.1	(0.0)	(0.0)	0.1	0.1	0.5	0.6	(1.1)	2.5	2.5	0.5	(0.0)	(0.0)	0.0	0.5	0.0
Prepaid Expenses and Other Assets	(1.1)	0.3	(0.6)	0.5	(4.4)	(5.7)	(2.1)	(1.4)	0.1	(1.7)	(5.1)	(2.2)	(4.0)	(0.2)	3.4	(3.0)	(0.9)	(1.4)	4.2	(1.6)	0.2	(0.4)
Trade Accounts Payable	(4.6)	8.1	(15.3)	6.7	(1.3)	(15.8)	(0.2)	(1.8)	9.2	(7.0)	0.2	2.1	1.3	3.3	(3.4)	3.4	(8.5)	2.5	2.1	(1.8)	(5.8)	1.1
Accrued Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.2	(0.3)	0.0	0.0	(0.0)	0.1
Accrued Salaries, Wages, and Benefits	0.1	(1.6)	(3.1)	2.2	0.1	2.1	(3.5)	0.7	0.3	0.7	(1.9)	(1.8)	0.4	0.9	(3.1)	(3.5)	0.2	0.5	0.3	(1.1)	(0.1)	0.9
Customer Deposits	(0.3)	(1.3)	0.3	0.9	2.9	(1.9)	(1.9)	1.7	(3.2)	0.9	(2.6)	0.7	2.1	(2.9)	(0.1)	(0.3)	0.7	0.4	(1.5)	(0.0)	(0.4)	(0.1)
Operating Lease Assets and Liabilities	-	-	0.3	0.9	0.7	(0.1)	0.3	0.1	-	0.1	0.4	0.1	0.1	0.1	0.0	0.4	0.1	0.0	(0.6)	0.0	(0.5)	0.0
Other Accrued Expenses	(0.4)	1.2	0.1	(0.9)	0.9	3.3	(4.7)	(0.4)	0.8	0.1	(4.3)	(0.8)	(1.1)	0.5	0.2	(1.1)	(0.3)	0.3	(0.5)	(0.2)	(0.7)	0.1
Deferred Compensation	(1.2)	(2.8)	(0.0)	(0.3)	(0.3)	(0.5)	(0.2)	(0.2)	(0.2)	(0.3)	(0.9)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.2)
Goodwill and Intangible Asset Impairment Charge	-	-	-	44.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash flow generated/(absorbed) from operating Activities</b>	<b>27.7</b>	<b>9.7</b>	<b>41.4</b>	<b>68.3</b>	<b>19.2</b>	<b>(21.7)</b>	<b>22.4</b>	<b>29.1</b>	<b>(2.6)</b>	<b>6.7</b>	<b>55.5</b>	<b>1.5</b>	<b>3.8</b>	<b>(17.6)</b>	<b>(10.7)</b>	<b>(23.0)</b>	<b>14.7</b>	<b>3.4</b>	<b>4.8</b>	<b>(4.6)</b>	<b>18.3</b>	<b>14.4</b>
<b>Investing Activities</b>																						
Acquisitions	(32.8)	-	-	-	-	(25.3)	-	(2.4)	-	-	(2.4)	-	-	-	-	-	-	-	-	-	-	-
Purchases of Property and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.5	5.5
Purchases of Property and Equipment	(3.2)	(5.2)	(5.1)	(1.2)	(6.7)	(4.2)	(3.2)	(0.8)	(1.8)	(1.1)	(6.8)	(0.8)	(0.6)	(1.2)	(0.6)	(3.2)	(0.9)	(0.8)	(0.7)	(0.8)	(3.2)	(0.4)
Proceeds from Sale of Property and Equipment	0.0	0.0	0.0	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premiums Paid on Life Insurance Policies	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)	(0.5)	(0.1)	(0.2)	(0.1)	(0.0)	(0.4)	(0.1)	(0.2)	(0.1)	(0.0)	(0.4)	(0.1)	(0.2)	(0.1)	(0.0)	(0.4)	(0.1)
Proceeds of Life Insurance Policies	0.1	1.2	-	1.3	0.4	-	-	0.4	-	0.6	1.0	-	0.9	-	-	0.9	-	-	-	-	-	-
Proceeds Received on Notes Receivable	0.1	0.1	1.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash flow generated by Investing Activities</b>	<b>(36.5)</b>	<b>(4.5)</b>	<b>(4.3)</b>	<b>(0.5)</b>	<b>(6.9)</b>	<b>(30.0)</b>	<b>(3.3)</b>	<b>(2.9)</b>	<b>(1.8)</b>	<b>(0.5)</b>	<b>(8.6)</b>	<b>(1.0)</b>	<b>0.2</b>	<b>(1.3)</b>	<b>(0.6)</b>	<b>(2.7)</b>	<b>(1.0)</b>	<b>(1.1)</b>	<b>(0.7)</b>	<b>4.7</b>	<b>2.0</b>	<b>0.0</b>
<b>Financing Activities</b>																						
Purchase and Retirement of Common Stock	-	-	-	-	-	(13.3)	(4.3)	(4.4)	(3.0)	-	(11.7)	-	-	-	-	-	-	-	-	-	-	(0.1)
Proceeds from ABL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22.1	22.1	-	-	-	-	-	-
Cash Dividends Paid	(5.8)	(6.7)	(7.2)	(7.8)	(8.8)	(9.6)	(2.4)	(2.4)	(2.4)	(2.5)	(9.7)	(2.5)	(2.5)	(2.5)	(2.5)	(9.9)	(2.5)	(2.5)	(2.5)	(1.2)	(8.8)	(1.3)
Payments for Long-Term Loans	(6.3)	(17.9)	(5.4)	(30.1)	-	(0.7)	(0.4)	(0.4)	(0.4)	(0.4)	(1.4)	(0.4)	(0.4)	(0.2)	(22.0)	(22.9)	(0.0)	(48.9)	(46.2)	(27.9)	(123.1)	(6.7)
Proceeds from Long-Term Loans	12.0	-	-	-	-	25.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Revolving Credit Facility	-	-	-	-	-	36.2	-	-	-	-	-	-	-	-	-	-	0.5	31.9	44.8	27.3	104.6	3.2
Payments for Revolving Credit Facility	-	-	-	-	-	(36.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Issuance Costs	(0.0)	-	-	-	-	(0.0)	-	-	-	-	-	-	-	-	(0.5)	(0.5)	-	(0.0)	(0.0)	(0.1)	(0.1)	-
<b>Cash flow generated/(absorbed) by financing Activities</b>	<b>(0.1)</b>	<b>(24.6)</b>	<b>(12.6)</b>	<b>(38.0)</b>	<b>(8.8)</b>	<b>1.3</b>	<b>(7.1)</b>	<b>(7.1)</b>	<b>(5.7)</b>	<b>(2.8)</b>	<b>(22.8)</b>	<b>(2.8)</b>	<b>(2.8)</b>	<b>(2.7)</b>	<b>(2.8)</b>	<b>(11.1)</b>	<b>(2.0)</b>	<b>(19.6)</b>	<b>(4.0)</b>	<b>(1.9)</b>	<b>(27.4)</b>	<b>(4.9)</b>
<b>Net Cash Flow</b>	<b>(8.9)</b>	<b>(19.5)</b>	<b>24.6</b>	<b>29.8</b>	<b>3.5</b>	<b>(50.4)</b>	<b>12.0</b>	<b>19.0</b>	<b>(10.2)</b>	<b>3.4</b>	<b>24.2</b>	<b>(2.3)</b>	<b>1.2</b>	<b>(21.6)</b>	<b>(14.1)</b>	<b>(36.9)</b>	<b>11.7</b>	<b>(17.2)</b>	<b>0.1</b>	<b>(1.8)</b>	<b>(7.1)</b>	<b>9.5</b>
<b>Cash and Cash Equivalents</b>																						
Beginning Cash balance	39.8	30.9	11.4	36.0	65.8	69.4	19.0	31.0	50.0	39.8	19.0	43.2	40.9	42.1	20.4	43.2	6.3	18.0	0.8	1.4	6.3	1.1
Ending Cash balance*	30.9	11.4	36.0	65.8	69.4	19.0	31.0	50.0	39.8	43.2	43.2	40.9	42.1	20.4	6.3	6.3	18.0	0.8	1.4	1.1	1.1	10.6

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