

Acquisition Opportunity

Designer / Distributor of Solid Wood Furnishings & Remodeling Products

2020 Revenue: \$21M / EBITDA: \$2.8M
2021 Revenue(P): \$47M / EBITDA: \$6.5M

Business Overview

Founded in 1995 with executive offices in Sweden and Hong Kong and offices in North America, Europe, Oceania and Asia, the Company was created by a former large furniture company executive. The Company engages in the design, production, distribution and sale of an extensive range of solid wood home remodeling products such as countertops, deck tiles, wide flooring planks, shiplap and panels, as well as outdoor and small space furniture. The Company is known for offering ecologically sustainable forest products at a fraction of the cost of competing hard woods.

Financial Profile

The Company's 2020 sales and EBITDA were approximately \$21M and \$2.8M, up more than 100 percent compared to 2019. Sales were \$23M and EBITDA \$3.0M for the TTM as of March 2021, respectively. Projected 2021 sales and EBITDA are \$47M and \$6.5M, resulting in a 4-year sales and EBITDA CAGR of 51% and 81%, respectively.

2021 Outlook

The Company's 2021 forecast is materially influenced by several developments including:

- An order backlog of \$15 million, 300% growth over 2020.
- An initial \$4 million order to support a 300-store product rollout from a 2,000+ store retail chain.
- Deck tiles on pace for \$8 million in sales up 8x over 2020.
- 3rd party E-Commerce platforms sales on-track for 250% growth and are projected to be 30% of total sales in 2021.

Sustainable Growth Opportunities

2016 Company Transformation Implementation

The Company's strong performance is due to the successful execution in 2020 of its 2016 transformation strategy. The result was development of new geographic markets (e.g., North America), client acquisition of the world's largest retail remodeling chain, establishment of Third-Party E Commerce channel sales and successful introduction of products based on new wood species.

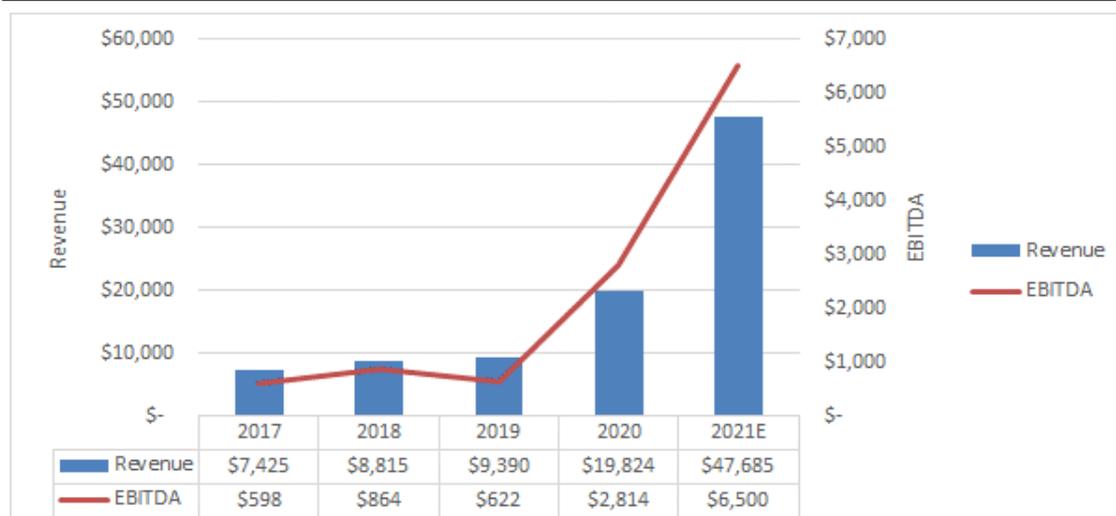
Hybrid E-Commerce/In-Store Channel

COVID-19 accelerated the development of the Hybrid E-Commerce In-Store Channel ("order on-line, in-store pick-up or vice versa") which the Company successfully implemented in North America. Existing and new Company In-Store Retail Chains are implementing the Hybrid E-Commerce/In-Store model across three continents.

Positive Home Remodeling Market Dynamics

Solid wood comprises a small but growing percentage of the \$100 billion countertop market. There is a significant trend for consumers to substitute solid wood for stone in kitchen and bathroom remodeling projects due to its aesthetics and low cost (less than 50%) as compared to quality stone. Additionally, the Company's ability to supply high quality solid wood at favorable prices has positioned them well to meet increasing demand for wood flooring, office desks, cabinets, and shelving.

REVENUE & EBITDA (YE 12/31)



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