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Home Furnishing International Opening Major Las Vegas Showroom

Leading Global Manufacturer Focusing On Sustainability & Innovation With 20+ Mattress Debuts, Also Unveiling New Foundations, Toppers, Bed Pillows & Pet Products

LAS VEGAS—Leading global fabric and home fashions manufacturer Home Furnishing International is opening a major new 6,000-square-foot permanent showroom at Las Vegas Market, debuting at this month's Winter Market running Jan. 26 to 30, 2020. The new showroom, located in Building B, Room #980, gives HFI a substantial presence in the nation's largest bedding market and heightens the profile of its new line of conventional foam and memory foam mattresses, toppers, foundations, adjustable bases and accessories.

The new showroom will feature more than 20 full bed displays, and also spotlight the complete assortment of bed-in-a-box styles from <u>GhostBed</u>®, a major online bedding retailer. Additionally, HFI will unveil an extensive new line of conventional foam and memory foam bed pillows, foam pet beds and bed steps, and a representative assortment of the company's home décor products, including indoor/outdoor decorative pillows and cushions.

"We believe that having a major presence at Las Vegas Market is an important next step in our evolution as a significant player in the U.S. bedding and mattress market," explains David Li, chairman and chief executive officer of Home Furnishing International, a privately held vertical fabric and home fashions supplier with annual sales estimated in excess of \$200 million. "We are focusing on bringing truly innovative technologies in foam and fabric manufacturing to U.S. retailers and consumers."

All of the foam products are manufactured in the United States by Palmetto Pedic LLC, a joint venture firm formed in March 2019 by Home Furnishing International and seven leading foam mills from China. Over the past two years, Home Furnishing International has more than doubled its U.S. manufacturing and distribution facilities in Gaffney, S.C., which now total more than 600,000 square feet in two locations. Approximately 50 percent of the Gaffney plants are dedicated to Palmetto Pedic, LLC manufacturing and distribution. In addition to manufacturing finished bedding products, the company also provides conventional and memory foam, pocket

coil, other components and bed in a box mattresses to leading American manufacturers as an OEM supplier, and also provides foam for the upholstered furniture and automotive industries.

One of the revolutionary innovations to be unveiled at Las Vegas Market is the pioneering sustainable Performatex® fabric, which is being used for HFI mattress ticking, pillow covers and topper covers. "We are placing a major emphasis on sustainability, and this will be the first introduction of the proprietary Performatex® fabric in the bedding market," points out HFI president Jane McCormac-Raab, who joined HFI last year from retailer Bed Bath & Beyond. "Previously, Performatex® has been used in indoor/outdoor fabrics, decorative pillows and cushions, but this will be the first time it will be available to the bedding industry."



The proprietary Performatex® fabric boasts impressive environmentally-friendly credentials: the fabric is 100% recyclable, uses 90% fewer chemicals and 80% less water than conventional fabrics, and uses 30% to 40% less energy in the manufacturing process, which translates to 30% less of a carbon footprint. The consumer benefits to this innovative fabric are equally impressive: the fabric is extremely durable, UV-safe, fade-resistant, stain-resistant, mold- and mildew-resistant, water-washable and bleach safe. "The fabrics are weatherproof, kid-proof



and pet-proof," notes McCormac-Raab.

Li explains that the development of the Performatex® fabric grew out of Home Furnishing International's leadership position in the decorative fabrics market, where the company is well known for technological innovation and

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EASY TO SET UP

developing proprietary yarns that offer superior performance characteristics as well as being environmentally friendly.

"No other supplier has the vertical capacity that HFI has in the fabric market, and HFI is recognized as a world leader in the fabric industry, producing more than 300 million yards of fabric every year," Li says. "We have been focusing on sustainability in our research and development, because we care about the environment as much as our customers and consumers. Studies have shown that 20% of the world's pollution is caused by traditional textile dyeing processes. Our innovative solution-dyeing process eliminates virtually all of the chemicals and all of the water used in traditional dyeing, and uses substantially less energy, which makes it a much better product for the environment. Plus, the fabrics are 100% recyclable!"

Home Furnishing International has a long history of manufacturing in both the U.S. and China, and in addition to its U.S. manufacturing and distribution plants, the company currently operates more than 1 million square feet of manufacturing facilities in Rugao, China, encompassing weaving, dyeing, printing and finishing, as well as finished product production.

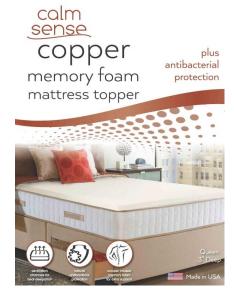
The company's new mattresses will be offered under several collections, including the Nature's Sleep®, Calm Sense and Total Sleep brands, all featuring the Performatex fabric. The mattresses will incorporate various desirable features, including gel-infused foam for its cooling properties; copper-infused bedding, which has natural anti-microbial and rejuvenating properties; and charcoal-infused bedding, which provides natural odor control.

HFI is adding another proprietary process to selected mattresses, toppers and bed pillows, a cooling effect utilizing an all-natural mineral. "Cooling properties are very important to consumers right now, because people like to sleep cool and comfortable," points out Michael King, who joined HFI as executive vice president of marketing and merchandising last year after 26 years as a bedding buyer with Macy's. "The other benefit is that we are using an eco-friendly product, which is very important to environmentally-conscious consumers, many of whom seek out products that are environmentally responsible.

"Home Furnishings International is taking a truly ground-breaking approach to the bedding market by offering superior performance and product benefits at no additional cost," King continues. "Traditionally in the mattress industry, environmentally friendly features and enhanced product benefits have come with a higher price tag and sometimes inferior performance. Now, because of HFI's extensive manufacturing facilities, along with the company's research and development expertise, we can offer our customers and the ultimate consumer a truly better product at an attractive price point."

HFI's mattresses will carry suggested retail prices ranging from \$299 to \$1,499, encompassing bed-in-a-box configurations, adjustable bases and hybrid foam/innerspring coil mattresses.

The bedding assortment debuting at Las Vegas Market also will include a new line of approximately 15 bed pillows and 10 mattress toppers, also utilizing the Performatex fabrics and incorporating the same special features as the mattresses. Bed pillows will carry suggested retail prices ranging from \$19.99 to \$99.99; toppers will carry suggested retail prices ranging from \$29.99 to \$199.99.



"We are adding a fully-automated, made in the USA manufacturing line for bed pillows that will have an annual capacity of 2 million units, with deliveries beginning May 1, 2020," states Li. "This will represent the most extensive assortment of 'Made In America' bed pillows available nationally today."



HFI also is using its foam manufacturing expertise to develop a line of "Bark-o-pedic" pet beds and pet steps, along with pet accessories. The pet steps feature a unique, one-piece construction that makes the product sturdier and more durable than traditional products that have been available in the industry.

"We have been able to re-design and re-engineer pet steps to solve many of the problems that consumers have had with the products in the past," notes McCormac-Raab. "We see the pet products category as one that is poised for growth in the future."

Li points out, "HFI is continually looking for new avenues for growth and expansion, both with our existing retail customer base as well as new channels of distribution. Our focus has always been, and continues to be, on making a better product that offers more features and benefits, and positions us competitively in the market."

About Home Furnishing International:

Home Furnishing International entered the U.S. home furnishings market in 1995 with the formation of American Decorative Fabrics (ADF), a major decorative fabrics supplier. The Home Fashions International (HFI) division debuted in 2001, providing home fashions and window treatments to leading retailers in virtually every major channel of distribution, including mass merchants, national chains, department stores, specialty retailers and catalogs. HFI added a decorative accessories division in 2005, expanding into decorative pillows, table linens and pet beds. ADF-HFI unified its corporate identity under the Westgate brand in 2006, and added freestanding window treatments and bath fashions in 2007. The company expanded into the outdoor market in 2015, developing an extensive line of performance fabrics, cushions, decorative pillows and accessories. The company supports its U.S. business with a manufacturing and distribution center totaling more than 600,000-square-foot in Gaffney, SC, as well as a major showroom in New York City, a dedicated fabric showroom in High Point, NC, and more than 200 U.S. employees. The Chinese division manufactures more than 300 million yards of fabrics annually and employs more than 1,000 people. Home Furnishing International also owns its own distribution company in Brazil; and the company currently exports decorative fabrics, apparel fabrics and finished home fashions to more than 80 countries around the world.

High-resolution images available upon request.