

## **Noble House FAQ**

### **Q: What is the “stalking horse” bid that GigaCloud has placed on the assets of Noble House Home Furnishings?**

A: GigaCloud’s “stalking horse” bid in Noble House’s Chapter 11 bankruptcy process refers to the bid placed by GigaCloud (as the initial bidder) on certain assets of Noble House (as the debtor) pursuant to an asset purchase agreement (“Stalking Horse APA”). The purchase price offered by GigaCloud as the stalking horse bidder sets the minimum purchase price for all competing bids in the subsequent public auction. The Stalking Horse APA and the bid procedures are publicly available court records.

### **Q: Did the acquisition close?**

A: As of the date of this FAQ, the acquisition has not been completed. The Stalking Horse APA is subject to higher and better offers Noble House may receive during the auction process. Because of certain bid protections that GigaCloud negotiated as part of becoming the Stalking Horse, any topping offer must exceed \$93,300,000.

### **Q: How long is the bid process?**

A: The bankruptcy court approved the Stalking Horse APA and the bid procedures on September 19, 2023. Should there be qualifying bids to compete with GigaCloud’s bid, that process would result in a public auction on October 23, 2023. If GigaCloud is determined to be the winning bidder in the auction, the acquisition would close on October 31, 2023.

### **Q: Does GigaCloud have an obligation to take on all the liabilities of Noble House should it be the winning bidder?**

A: Under the terms of the Stalking Horse APA, GigaCloud can select the assets it wishes to purchase and specifically delineate the liabilities it will assume. Because the Bankruptcy Court’s order will provide that the sale is free and clear of all other claims and liabilities (including successor liability claims), GigaCloud will be able to insulate itself against the risk of legacy liabilities. It is unusual for a buyer to assume substantial liabilities as part of a section 363 sale.

### **Q: How much revenue does Noble House generate?**

A: According to publicly available filings, Noble House generated \$491 million in revenue in fiscal year 2022. Noble House is a leading distributor, manufacturer, and retailer of an extensive selection of indoor and outdoor home furnishings. Noble House sells its portfolio of products through a diverse set of third-party channels, with leading positions at major retailers, and has over 8,000 unique SKUs.

### **Q: What brands does Noble House currently own?**

A: Noble House’s portfolio includes brands such as Christopher Knight Home, NobleHouse, LePouf, OkiOki, and GDFStudio.

**Q: How would GigaCloud pay for the acquisition?**

A: GigaCloud intends to fund the acquisition with its cash reserve. As of June 30, 2023, GigaCloud had \$181.5 million in its cash balance.

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