


FOURTH QUARTER FY26:
SUPPLEMENTAL INFORMATION

JULY 2, 2026

CULP

FORWARD-LOOKING STATEMENTS

This presentation contains *"forward-looking statements" within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995 (Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934). Such statements are inherently subject to risks and uncertainties that may cause actual events and results to differ materially from such statements. Forward-looking statements are statements that include projections, expectations, or beliefs about future events or results or otherwise are not statements of historical fact. Such statements are often but not always characterized by qualifying words such as "expect," "believe," "will," "may," "should," "could," "potential," "continue," "target," "predict", "seek," "anticipate," "estimate," "intend," "plan," "project," and their derivatives, and include but are not limited to statements about expectations, projections, or trends for our future operations, strategic initiatives and plans, restructuring and integration actions, production levels, new product launches, sales, profit margins, profitability, operating (loss) income, capital expenditures, working capital levels, cost savings (including, without limitation, anticipated cost savings from restructuring and integration actions), income taxes, SG&A or other expenses, pre-tax (loss) income, earnings, cash flow, and other performance or liquidity measures, as well as any statements regarding dividends, share repurchases, liquidity, use of cash and cash requirements, ending cash balances and cash positions, borrowing capacity, investments, potential acquisitions, cash and non-cash restructuring and restructuring-related charges, expenses, and/or credits, net proceeds from restructuring related asset dispositions, future economic or industry trends, public health epidemics, or other future developments. There can be no assurance that we will realize these expectations or meet our guidance, or that these beliefs will prove correct.*

Factors that could influence the matters discussed in such statements include the level of housing starts and sales of existing homes, demand for home furnishings products, consumer confidence, trends in disposable income, and general economic conditions. Decreases in these economic indicators could have a negative effect on our business and prospects. Likewise, increases in interest rates, particularly home mortgage rates, and increases in consumer debt or the general rate of inflation, could affect us adversely. Changes in consumer tastes or preferences toward products not produced by us could erode demand for our products. Changes in tariffs or trade policy, including changes in U.S. trade enforcement priorities and our ability to obtain or retain tariff refunds, if any, or changes in the value of the U.S. dollar versus other currencies, could affect our financial results because a significant portion of our operations are located outside the United States. Relatedly, litigation is ongoing as to whether businesses that paid tariffs that were invalidated by the U.S. Supreme Court in February 2026 may receive or retain refunds for those tariffs, and there may be uncertainty as to whether the Company may retain any such refunds, which could be significant. Also, economic or political instability in international areas could affect our operations or sources of goods in those areas, as well as demand for our products in international markets. The future performance of our business depends in part on our success in conducting and finalizing acquisition negotiations and integrating acquired businesses into our existing operations. The impact of public health epidemics on employees, customers, suppliers, and the global economy, such as the coronavirus pandemic, could also adversely affect our operations and financial performance. In addition, the impact of potential asset impairments, including impairments of property, plant, and equipment, inventory, or intangible assets, as well as the impact of valuation allowances applied against our net deferred income tax assets, could affect our financial results. Increases in freight costs, labor costs, and raw material prices, including increases in market prices for petrochemical products, can also significantly affect the prices we pay for shipping, labor, and raw materials, respectively, and in turn, increase our operating costs and decrease our profitability. Also, our success in diversifying our supply chain with reliable partners to effectively service our global platform could affect our operations and adversely affect our financial results. Finally, the future performance of our business also depends on our ability to successfully restructure our bedding operations as well as successfully integrate our bedding and upholstery segments and realize the expected benefits of that integration effort, which may not meet our expectations. Further information about these factors, as well as other factors that could affect our future operations or financial results and the matters discussed in forward-looking statements, is included in Item 1A "Risk Factors" in our most recent Form 10-K and Form 10-Q reports filed with the Securities and Exchange Commission.

Many of these factors are macroeconomic in nature and are, therefore, beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this release as anticipated, believed, estimated, expected, intended, planned or projected. The forward-looking statements included in this presentation are made only as of the date of this presentation. Unless required by United States federal securities laws, we neither intend nor assume any obligation to update these forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. Additional risks and uncertainties that we do not presently know about or that we currently consider to be immaterial may also affect our business operations or financial results.

CULP

BUSINESS OVERVIEW &
STRATEGIC ACTIONS

CULP, INC.
(NASDAQ: CULP)

One of North America's largest marketers of mattress fabrics and sewn covers for bedding and upholstery fabrics and sewn kits for residential, commercial, and hospitality furniture and other applications.

Global customer base of leading bedding and furniture companies, with fabrics produced via comprehensive manufacturing and sourcing capabilities across the United States, China, Vietnam, Turkey and Haiti.

Founded: 1972
Headquarters: High Point, North Carolina
Initial Public Offering: 1983
Fiscal 2026 Revenue*: $203.5 Million
Employees: ~ 900

**Year ended May 3, 2026*

TWO LEADING BUSINESSES IN MULTI-BILLION-DOLLAR MARKETS

BEDDING SEGMENT

- Market leader in mattress fabrics, sewn covers and related products
- Strong U.S., nearshore, and offshore supply chains
- Significant asset base in U.S.
- 57% of Culp Fiscal 2026 revenue

UPHOLSTERY SEGMENT

- Market leader in fabrics and sewn kits for residential and commercial/hospitality furniture and window treatment markets
- Asset-light sourcing model
- Primarily Asia supply chain
- 43% of Culp Fiscal 2026 revenue

RESTRUCTURED FOR PROFITABILITY ACROSS MARKET CYCLES

Completed Fiscal 2025

ACTIONS

Consolidated North American Bedding Operations
- Closed manufacturing operations and sold facility in Quebec, Canada
- Moved knitting and finish capacity to owned U.S. facility (North Carolina)
- Optimized capacity and overhead in owned U.S. facility (North Carolina)
- Transitioned damask mattress fabric product lines to strategic sourcing model

Consolidated Haiti / DR Cut & Sew Operations into One Facility

Reduced Bedding Workforce by ~35%

Restructured Upholstery Finishing Operation in China

Reduced Administrative SG&A Expenses

OUTCOMES

~$11 Million in Annualized Cost Savings and Efficiency Gains

~ $1 Million Reduction in Administrative SG&A Expenses

Total Restructuring & Related Charges: $9.4 Million

Proceeds from Asset Sales & Related Items
- ~$3.5 Million from sale of Canada facility
- Appx. $2.3 Million from sale of excess equipment, termination of Haiti lease, and other items
- All offset cash against restructuring charges

INTEGRATION & ADDITIONAL ACTIONS
STRENGTHEN FOUNDATION

Completed Fiscal 2026 and Continuing in Fiscal 2027

Integration of Stand-Alone Divisions to Synergize Business and Leadership Teams

- Division Presidents transitioned to Company-wide COO and CCO roles
- Consolidated operations, talent and resources to better serve home furnishings industry
- Created a leaner and more agile organization better equipped to respond to customer needs and market trends
- ~ $1 million annualized savings and operating improvement
- Impact to Results: Beginning Q2 FY26

Consolidated USA Upholstery Warehousing/Distribution

- Relocated leased facility in Burlington, NC into owned facility in Stokesdale, NC
- ~ $1.7 million annualized savings from exited lease, reduced headcount and synergized operations
- Impact to Results: Beginning Q4 FY26

Consolidated and Streamlined Read Window Operations

- Relocated leased facility in Knoxville, TN into owned facility in Stokesdale, NC and increased sourcing strategies
- ~$800 thousand annualized savings from exited lease, reduced headcount and synergized operations
- Impact to Results: Beginning Q4 FY26

Price Action to Address Tariff and Petrochemical Uncertainty and Rationalize Margins

- ~ $2.5 Million expected annualized margin improvement in bedding segment with timing phased in beginning Q2 FY26
- Additional ~ $2.5 Million consolidated impact with timing beginning Q1 of FY27.

Additional Cost Reduction and Efficiency Actions Including Reduction of China Leased Facility Footprint

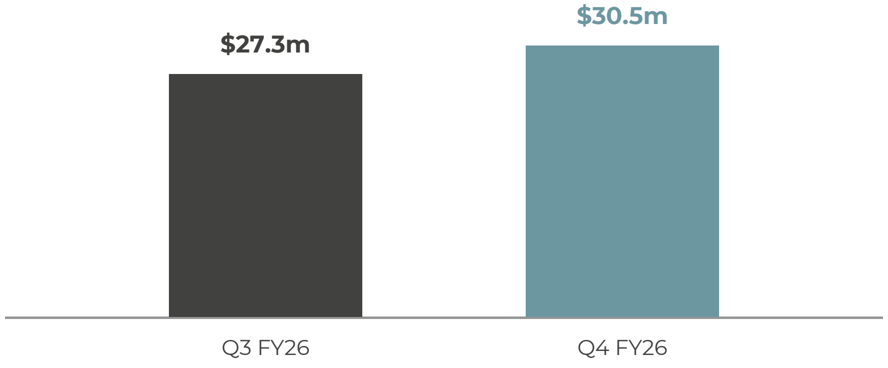
- ~$2 million anticipated annualized savings
- Impact to Results: Beginning Q4 FY26

IMPACTS OF RESTRUCTURING, INTEGRATION & ADDITIONAL ACTIONS

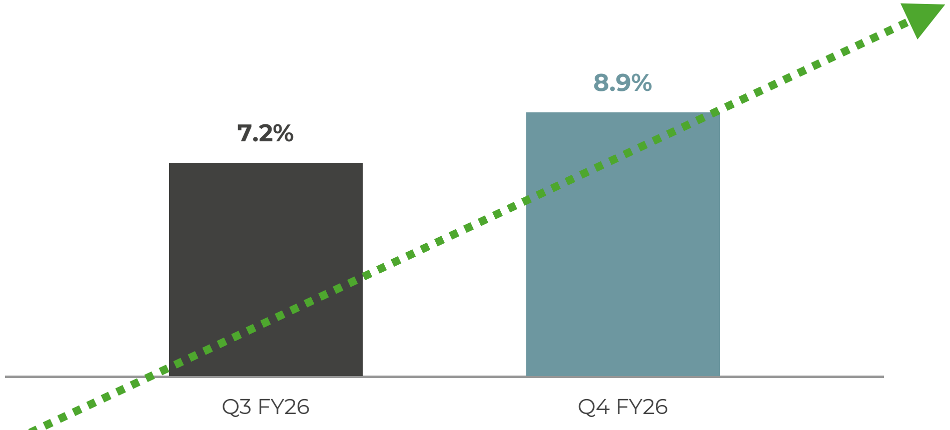
Action	Projected Annualized $ Impact & Timing	Financial Impact
FY25 Restructuring Initiatives	~ $11 Million / completed	COGS/SG&A
FY25 Administrative SG&A Rationalization	$1 Million / completed	SG&A
FY26 Division Integration	$1 Million / completed	SG&A
FY26 Consolidation of U.S. Upholstery Distribution Operations	$1.7 Million / completed	SG&A
FY26 Consolidation of Read Window Operations	$800 Thousand / completed	COGS
FY26 Additional Actions Incl. Reduction of China Facility Footprint	$2 Million / completed	COGS/SG&A
Total Cost/Efficiency Actions	**$17.5 Million**	
FY26 Pricing Initiatives	$2.5 Million / implemented	REV/GP
FY27 Pricing Initiatives	~ $2.5 Million / implemented	REV/GP
Total Restructuring, Integration & Additional Actions	**~ $22.5 Million**	

OPTIMIZED PLATFORM DRIVING MOMENTUM

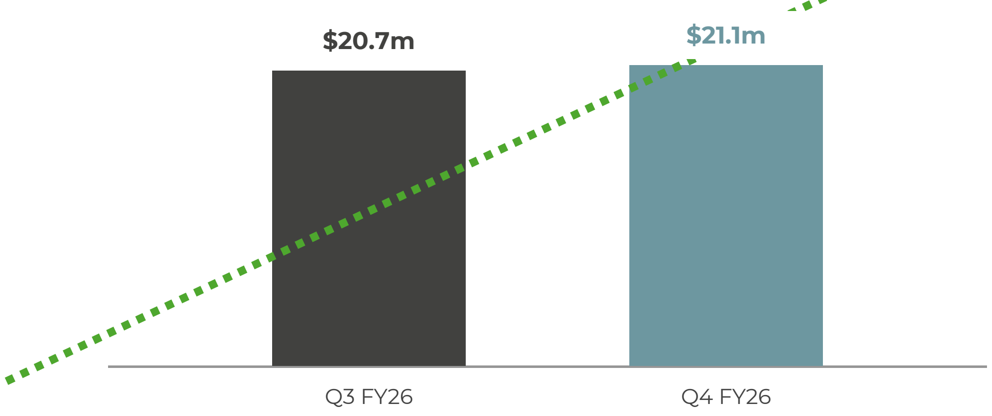
Bedding Sales



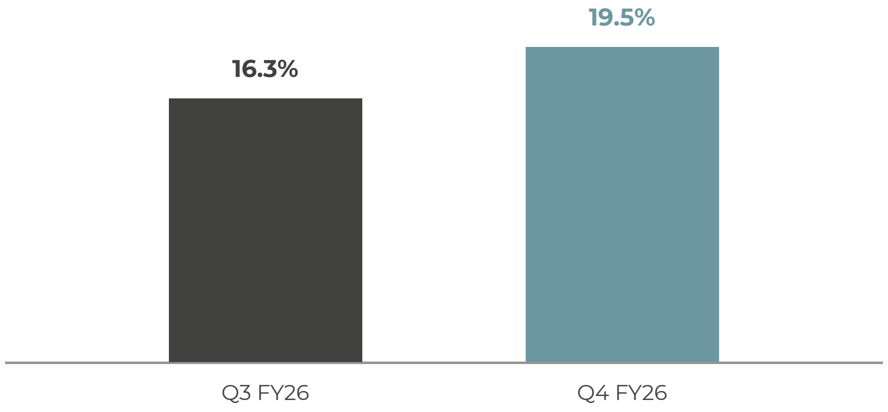
Bedding Gross Profit %



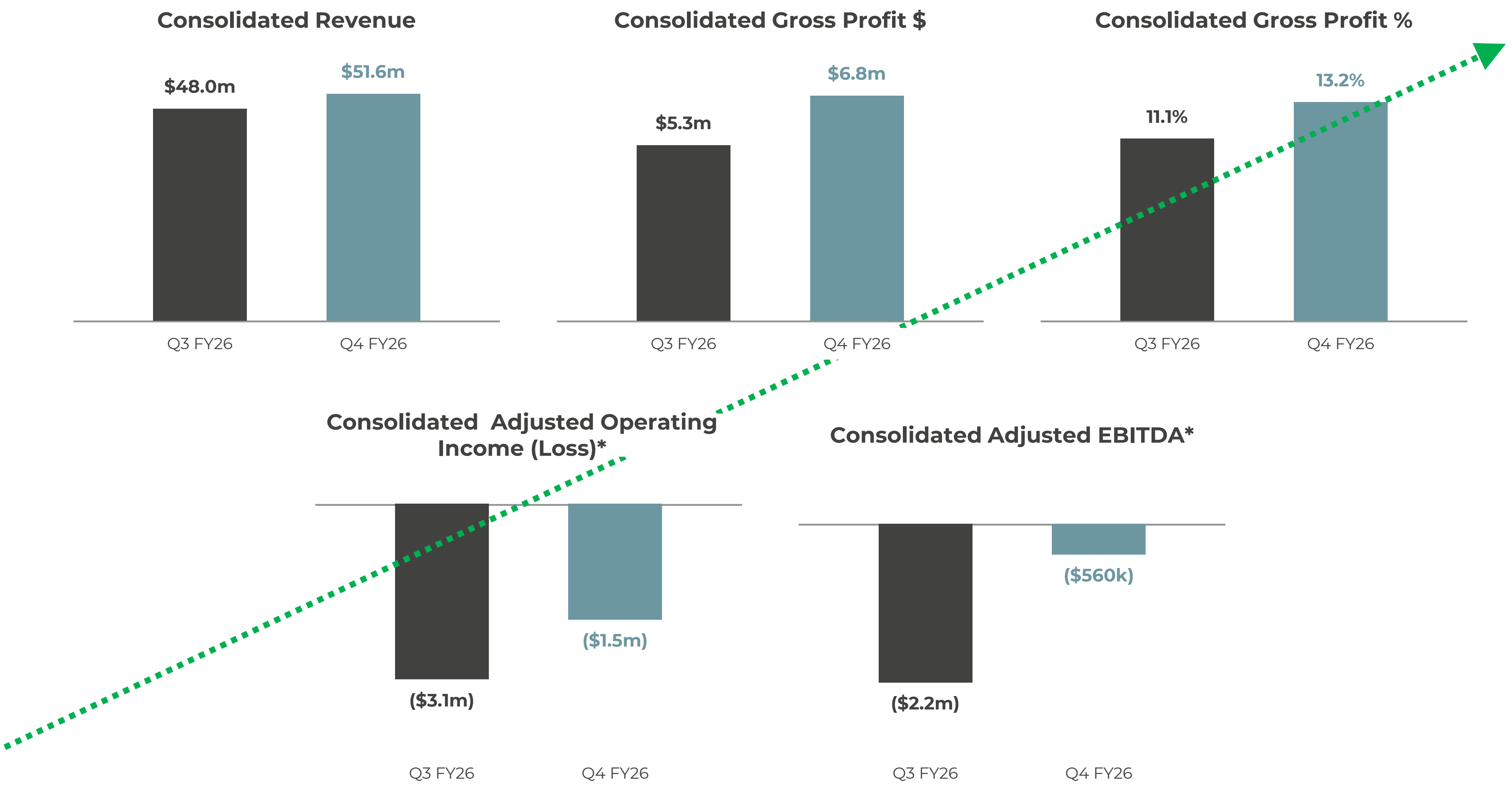
Upholstery Sales



Upholstery Gross Profit %



OPTIMIZED PLATFORM DRIVING MOMENTUM



**See reconciliation on pages 28-29 of non-GAAP Adjusted Operating Income (Loss) and non-GAAP Adjusted EBITDA to their corresponding GAAP measurements.*

CULP

LIQUIDITY & CAPITAL BASE

Top Priority to Aggressively Manage Liquidity/FCF and Debt

TOTAL LIQUIDITY	As of 5/3/2026 (in millions)
Cash	$8.3
U.S. ABL Availability	$14.5
China Credit Line Availability	$1.4
Total Liquidity	$24.2
Proceeds from IEEPA Tariff Reimbursement	~ $7.0
Total Liquidity	~ $31.2

BALANCE SHEET HIGHLIGHTS

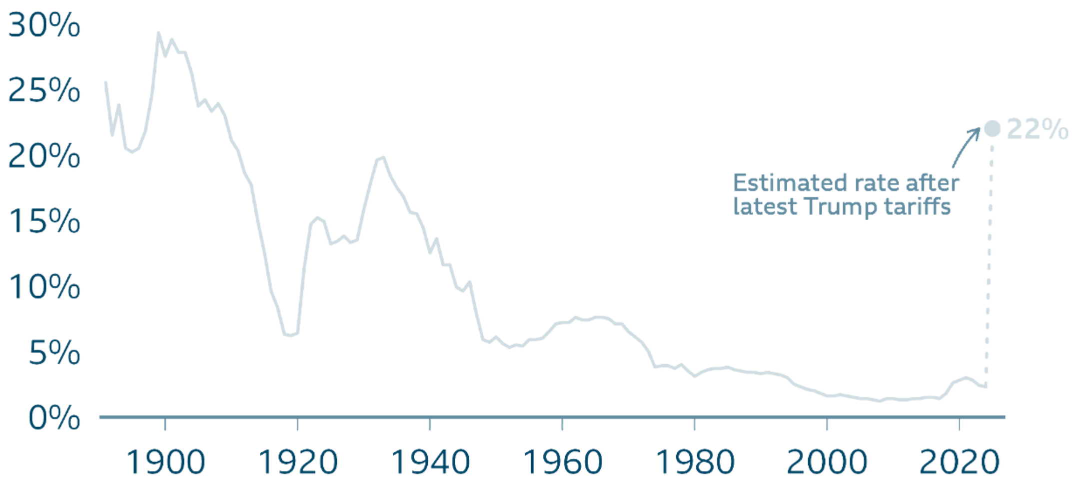
- Liquidity in place to navigate current environment.
- Extended domestic credit facility for additional three years at market rates.
- Owned U.S. real estate with estimated value of ~$40 million provides significant source of additional liquidity if needed.
- U.S. Federal NOL carryforwards totaling ~$95.9 million as of May 3, 2026.
- Tangible book value of $3.77/share (as of 5/3/26) understated due to owned real estate and NOLs.
- Recent borrowings primarily used to fund restructuring/integration initiatives and worldwide working capital as well as take advantage of favorable rates and availability in China.
- Restructuring and additional actions in FY26 significantly lowered expected operating costs and cash burn at current low sales levels to navigate industry softness.

CULP

TARIFF IMPACTS & MITIGATION

US tariffs could hit their highest level in more than a century

Average US tariff rate* on imports



*Tariff revenue as a percentage of total import value
Note: Estimate by Capital Economics assumes import levels remain the same. In reality, imports could fall in response to tariffs.

Source: LSEG;Capital Economics; BBC

- CULP Total Tariffs/Duties Paid CY 2025 to FYE2026: **~ $17.7 million**
- Tariff Landscape More Favorable after U.S. Supreme Court Decision Invalidating IEEPA Tariffs, although the Environment Remains Fluid with Current Section 122 Tariffs and Pending Section 301 Tariff Analyses Ongoing
- Current Product Pricing Covering Cost of Current Applicable Tariffs
- Balanced Global Platform with U.S., Nearshore and Offshore Options Provides Strategic Advantage in Current Global Trade and Tariff Landscape

- **~$7.0 Million in IEEPA Tariff Refunds Received in Q1 FY27**

CULP

GLOBAL TRADE/TARIFF UNCERTAINTY

Strong U.S. Base and Global Footprint Gives Customers Valuable Optionality and CULP an Increasing Competitive Advantage

WHERE WE ARE

USA · CHINA · VIETNAM · TURKEY · HAITI

CULP BEDDING

Large-Scale Leader in Consolidated Industry with Significant Barriers to Entry

INNOVATIVE PRODUCTS

- Knitted fabrics
- Sewn mattress covers
- Damask woven fabrics
- Bedding accessories
- Wide range of fashionable styles and price points

COMPETITIVE STRENGTHS

- One of the largest producers of mattress fabrics in North America
- Global manufacturing and sourcing:
    - U.S., China, Vietnam, Turkey and Haiti,
- Strong U.S. base and global footprint provide competitive advantage in current trade/tariff environment
- Innovative designs capitalizing on sleep trends, cooling and sustainability

GROWING MARKET SHARE

[1] *Management estimates for domestic mattress fabric and cover market*
[2] *Culp top 2 player*

LEADING PRODUCTS
FOR TOP BRANDS

- Serta Simmons Bedding
- Brooklyn Bedding
- Tempur+Sealy
- Ashley
- Mattress Firm
- fxi
- sleep number
- purple
- Denver Mattress Co.
- Kluft
- Casper
- saatva

CULP UPHOLSTERY

Market Leader Known for Creative Designs and Innovative Products, with Asset-Light Operating Model

INNOVATIVE PRODUCTS

- Upholstery fabrics and sewn kits for residential furniture markets
- Upholstery fabrics for hotel, theater, office, retail and other commercial and hospitality furniture markets
- Window treatments, drapery and roller shades for hospitality and other commercial markets

COMPETITIVE STRENGTHS

- Outstanding design capabilities
- Asset-light flexible global platform provides competitive advantage in current trade/tariff environment
- Innovative performance fabrics including proprietary LiveSmart ® brand
- Emphasis on sustainability and health/wellness applications

GROWING MARKET SHARE

[1] Management estimates for domestic upholstery fabric market
[2] Culp top 5 player

INNOVATIVE PRODUCTS FOR TOP CUSTOMERS

La-Z-boy
FLEXSTEEL
ASHLEY
HNI
Exemplis
England FURNITURE CO.
MILLION DOLLAR BABY CO.
Fusion FURNITURE INC. WHERE STYLE MEETS VALUE
Home Reserve

Focused on higher margin / growth segments

- Targeting performance products ~**40%** of total
- Targeting hospitality target at >**30%** of total

CULP INNOVATION ENGINE

UPHOLSTERY

- **FIRST** to introduce suede upholstery fabrics and faux leather looks to commercial residential market
- **FIRST** with stain-resistant performance fabrics at mid-market price points, including iClean® and LiveSmart® brands
- **FIRST** to introduce performance + sustainability line of upholstery fabrics with LiveSmart Evolve® line
- **FIRST** to introduce Nanobionic® wellness-focused fabric for residential home furnishings industry

BEDDING

- **FIRST** to adopt and combine on-shore, near-shore, and off-shore strategies to best support mattress cover customers and facilitate better tariff navigation
- **FIRST** to introduce LiveFurnish 3-D visual rendering technology to showcase mattress fabric designs while also reducing sampling costs, enhancing customization, facilitating speed-to-market
- **FIRST** with cooling + sustainability combined mattress fabrics

CURRENT MARKET CONDITIONS

CURRENT MACRO SITUATION

PRE-COVID

- Favorable long-term growth dynamics in both segments

COVID IMPACT

- Accelerated demand for home products

CURRENT POST-COVID SITUATION

- Slow demand – result of Covid accelerated "pull forward" + inflation + low housing activity + other macroeconomic factors

ANTICIPATED RETURN TO NORMALIZED MARKET CONDITIONS / GROWTH TREND

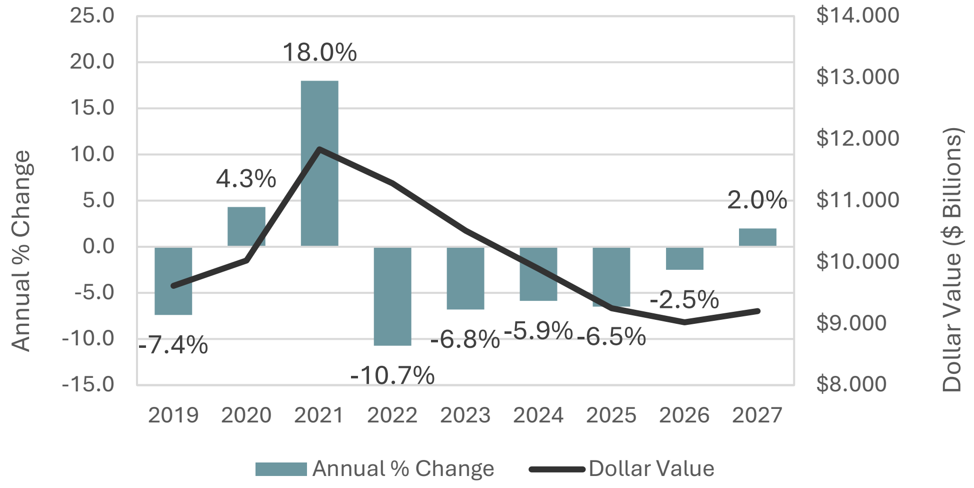
- Timing unclear – Bedding industry consensus: product replacement cycle overdue

BEDDING: CURRENT MARKET CYCLE

Indications that extremely low demand may be coming to end

DOLLAR VALUE OF MATTRESS SHIPMENTS

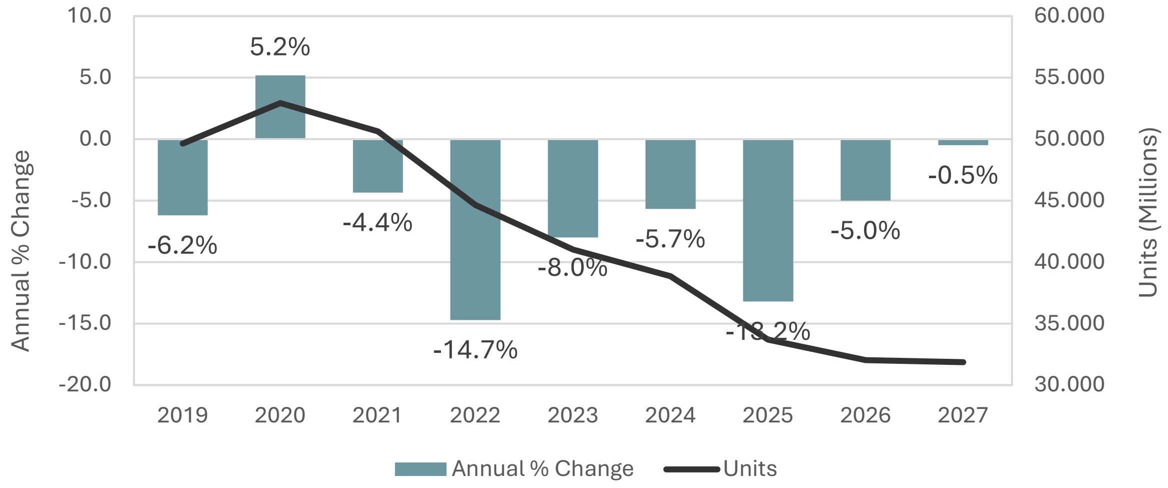
(Total Mattress Market)*



Source: ISPA Annual Sales Survey & ITC Mattress Imports Data for 2019–2025, and ISPA Forecast for 2026–2027 with permission
** Includes U.S.-produced and import mattresses and stationary foundations*

UNIT SHIPMENTS OF MATTRESSES

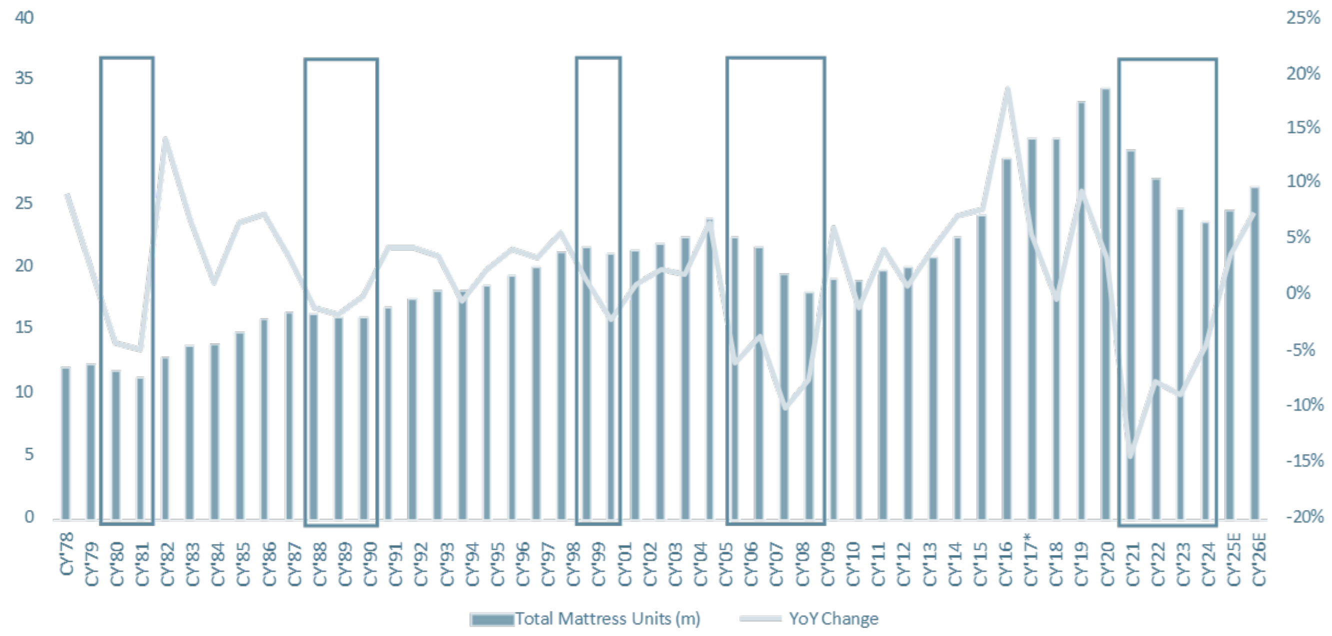
(Total Mattress Market)*



Source: ISPA Annual Sales Survey & ITC Mattress Imports Data for 2019–2025, and ISPA Forecast for 2026–2027 with permission
** Includes U.S.-produced and import mattresses and stationary foundations*

BEDDING: PRIOR INDUSTRY DOWNTURNS

***UBS Global Research**: Downturns Since 1980 Have Never Exceeded 4 Years and Were Followed by Periods Averaging 4% Growth*



Period	1980-81	1988-90	2001	2006-09	Average
Years of Unit Declines	2	2	1	4	2.25
Peak to Trough Unit Decline (%)	-9%	-3%	-2%	-24%	-9%
Forward 3 Yr Unit Growth CAGR	7%	4%	2%	3%	4.0%

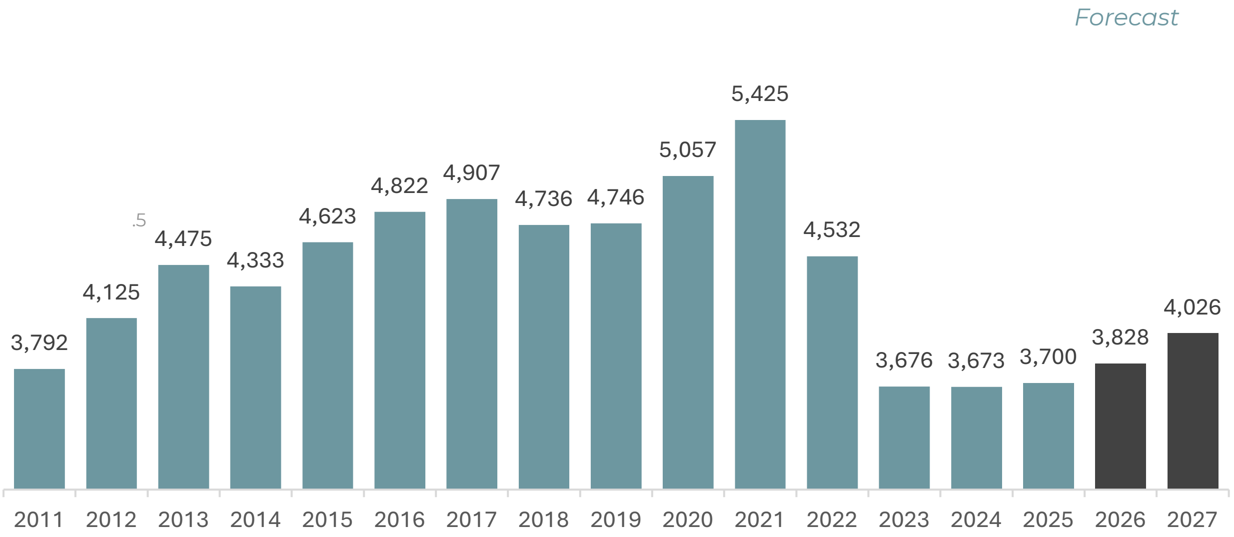
Source: Almost Done Tossing and Turning – Assuming Coverage of the U.S. Mattress Industry, UBS Global Research

CULP

HOUSING ACTIVITY - MULTI-YEAR TROUGH

SALES OF EXISTING SINGLE-FAMILY HOMES

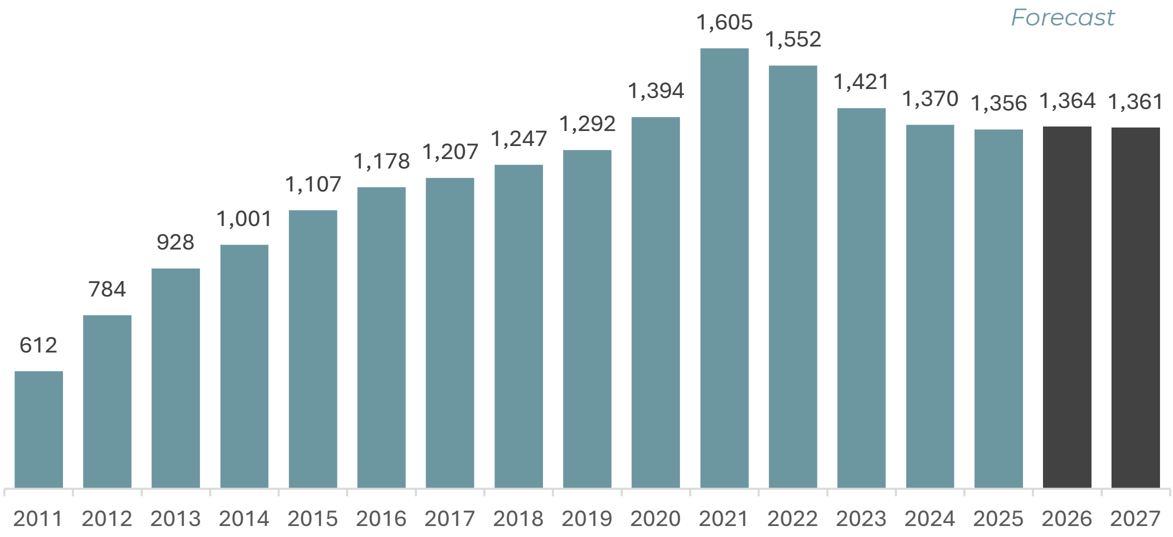
(Units, thousands)



Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED® with permission

TOTAL HOUSING STARTS

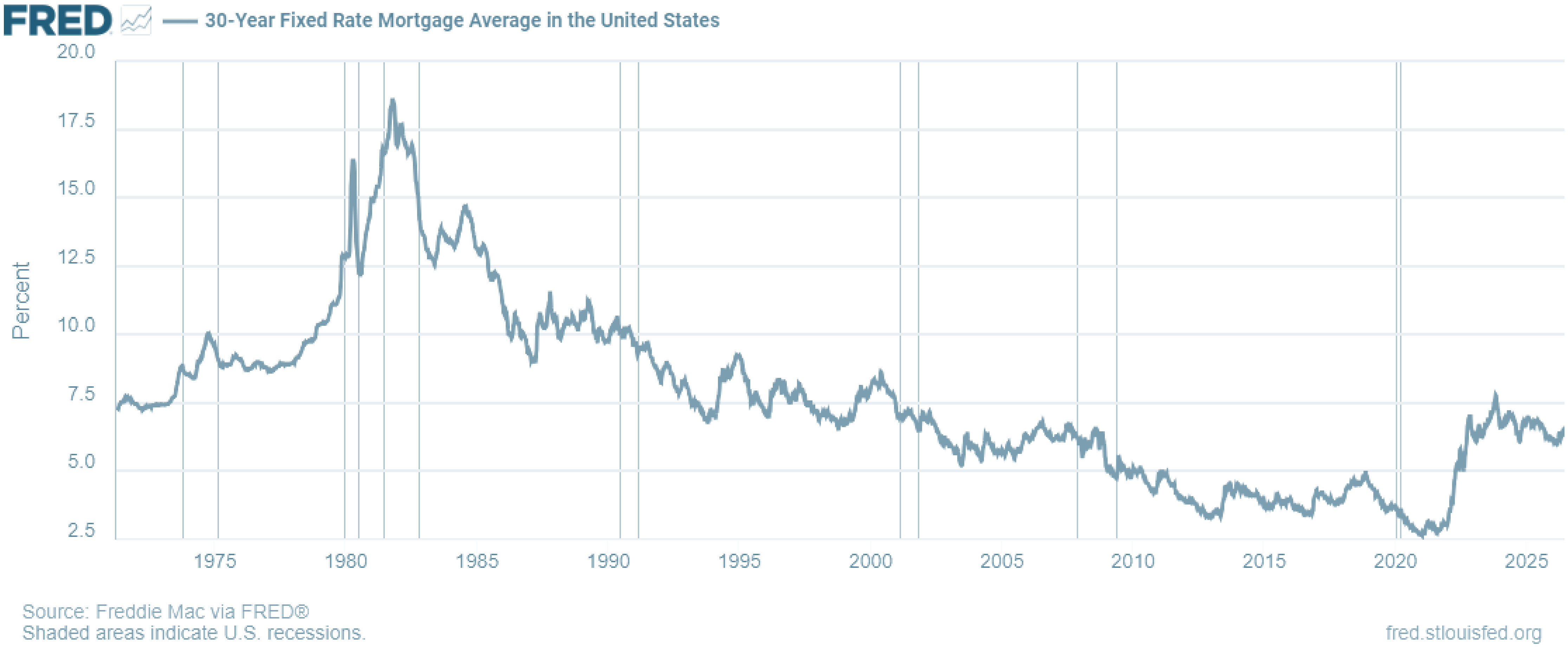
(Units, thousands)



Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED® with permission

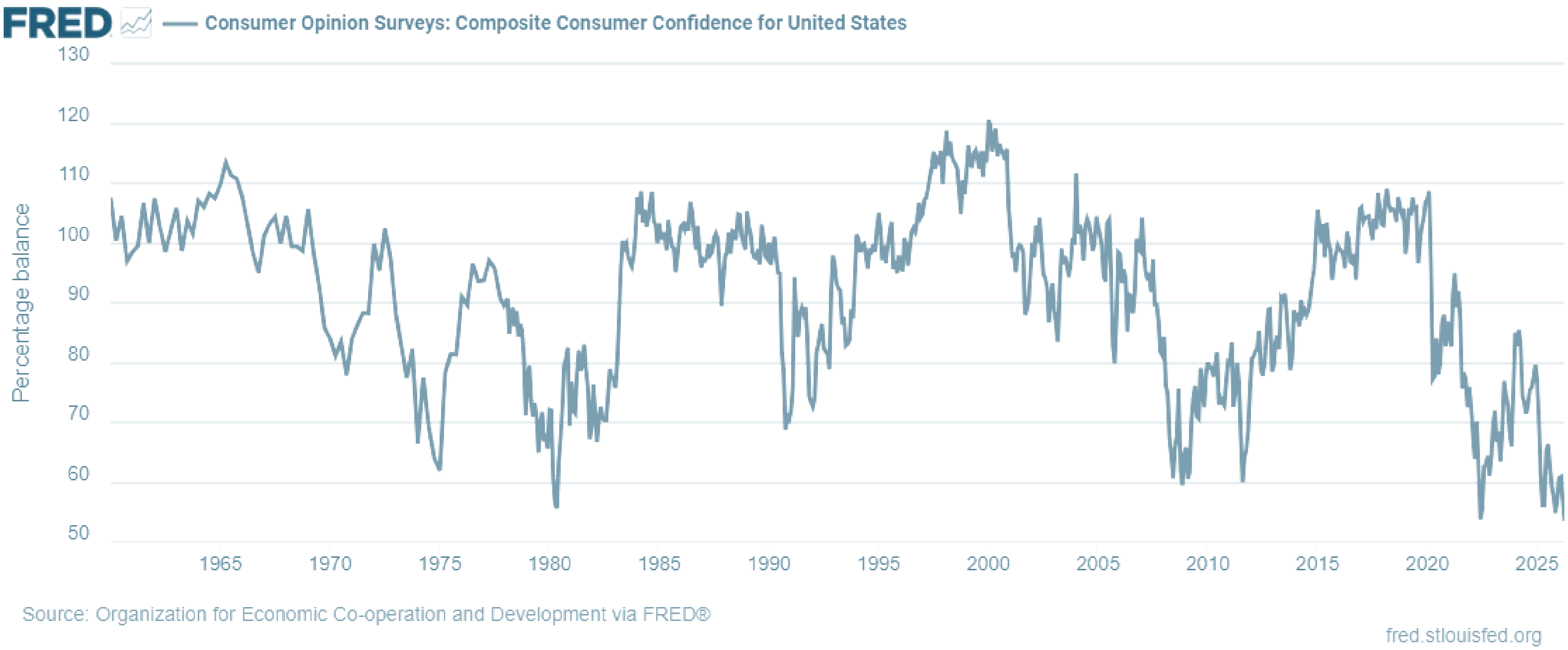
CULP

30-YEAR MORTGAGE RATES



Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States [MORTGAGE30US], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/MORTGAGE30US, June 12, 2026.

CONSUMER CONFIDENCE



Source: University of Michigan, University of Michigan: Consumer Sentiment [UMCSENT], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/USACSCICP02STSAM#, May 15, 2026

INVESTMENT HIGHLIGHTS

INVESTMENT HIGHLIGHTS

NASDAQ: CULP

- Well-established market position in multiple billion-dollar industries
- Experienced and streamlined leadership team focused on profitable growth
- Newly restructured operating platform and additional integration actions completed in FY26 to drive FY27 improvement
- Global production and sourcing capabilities providing strategic options for customers to manage supply chain and navigate tariff and trade regulations
- Strong relationships with key customers and long-term suppliers
- Emphasis on design creativity and product innovation
- Market position improving with solid placements priced in line with current costs
- Consistent improvement in operating performance for bedding segment in FY25 and year-over-year improvement in FY26, with further gains expected in FY27 in very difficult demand environment
- Available liquidity to support growth and manage industry and global uncertainty

CULP

NASDAQ: CULP

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

This presentation contains adjusted income statement information for the three-month periods ended February 1, 2026, and May 3, 2026, which discloses adjusted loss from operations, a non-U.S. GAAP performance measure that eliminates items which are not expected to occur on a recurring or regular basis. For the three-month periods ended February 1, 2026, and May 3, 2026, these items may include, as applicable for the period presented, restructuring expenses and/or credits and restructuring-related charges associated with the sale of our former mattress fabrics manufacturing facility in Quebec, Canada, segment integration initiatives including the transition of operations within our upholstery segment from leased locations to our owned facility in Stokesdale, North Carolina, and similar items. We included this adjusted information to show operational performance excluding the effects of items not expected to occur on a recurring or regular basis. Details of these calculations and a reconciliation to information from our U.S. GAAP financial statements are set forth on the following page. Management believes this presentation aids in the comparison of financial results among comparable financial periods. Management uses adjusted income statement information in evaluating the financial performance of our overall operations and business segments. Also, adjusted income statement information is used as a performance measure in our incentive-based executive compensation program. We note, however, that this adjusted income statement information should not be viewed in isolation or as a substitute for income (loss) from operations calculated in accordance with U.S. GAAP.

The presentation also contains disclosures about our adjusted EBITDA, which is a non-U.S. GAAP performance measure that reflects net (loss) income excluding income tax expense (benefit), net interest income, and restructuring expense or credit and restructuring related charges or credits, as well as depreciation and amortization expense, and stock-based compensation expense. Beginning in the quarter ended November 2, 2025, we modified our presentation of adjusted EBITDA to also exclude non-cash foreign exchange impacts. We believe this change enhances investor insight into our operational performance by removing the non-cash impact of changes in foreign currency exchange rates. In order to facilitate comparisons among periods, we have applied this modified definition of adjusted EBITDA to all periods presented in the presentation. This measure also excludes other non-recurring charges and credits associated with our business, if and to the extent any such amount is incurred during the period presented. Details of these calculations and a reconciliation to information from our U.S. GAAP financial statements are set forth on the following page. We believe presentation of adjusted EBITDA is useful to investors because earnings before interest income and expense, income taxes, depreciation and amortization, and similar performance measures that exclude certain charges from earnings are often used by investors and financial analysts in evaluating and comparing companies in our industry. Also, adjusted EBITDA is used as a performance measure in our incentive-based executive compensation program. We note, however, that such measures are not defined uniformly by various companies, with differing expenses being excluded from net income to calculate these performance measures. For this reason, adjusted EBITDA should not be viewed in isolation by investors and should not be used as a substitute for net income (loss) calculated in accordance with GAAP, nor should it be used for direct comparisons with similarly titled performance measures reported by other companies. Use of adjusted EBITDA as an analytical tool has limitations in that this measure does not reflect all expenses that are necessary to fund and operate our business, including funds required to pay taxes, service our debt, and fund capital expenditures, among others. Management uses adjusted EBITDA to help it analyze earnings and operating performance by excluding the effects of expenses that depend upon capital structure and debt levels, tax provisions, and non-cash items such as depreciation, amortization and stock-based compensation expense that do not require immediate uses of cash.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

Consolidated Operating Income (Loss)

	As Reported May 3, 2026	Adjustments	Adjusted Results May 3, 2026
Three Months Ended May 3, 2026			
Net sales	$ 51,624	—	$ 51,624
Cost of sales	(44,797)	—	(44,797)
Gross profit	6,827	—	6,827
Selling, general and administrative expenses	(8,347)	—	(8,347)
Restructuring expense (1)	(102)	102	—
Loss from operations	$ (1,622)	102	$ (1,520)

	As Reported February 1, 2026	Adjustments	Adjusted Results February 1, 2026
Three Months Ended February 1, 2026			
Net sales	$ 47,965	—	$ 47,965
Cost of sales (1)	(42,642)	—	(42,642)
Gross profit	5,323	—	5,323
Selling, general and administrative expenses	(8,464)	—	(8,464)
Restructuring expense (2)	(584)	584	—
Loss from operations	$ (3,725)	584	$ (3,141)

Consolidated EBITDA

	Three Months Ended May 3, 2026	Three Months Ended February 1, 2026
Net loss	$ (2,242)	$ (3,432)
Income tax expense	58	292
Interest income, net	(19)	(192)
Depreciation expense	963	974
Amortization expense	33	96
EBITDA	(1,207)	(2,262)
Restructuring (credit) expense	102	584
Restructuring related charge	—	—
Resolution of legal matter	—	(1,000)
Stock based compensation	163	129
Foreign currency exchange loss (1)	382	369
Adjusted EBITDA	$ (560)	$ (2,180)