# Arhaus, Inc.

**ARHS**

Nasdaq; shops; SIC 5712, Retail-Furniture Stores; CIK 0001875444

**A/B**

**on the A/B boundary of 254 graded peers in shops**

rank 57 of 254; percentile 22.1; sampling error 3.0 points; lower is stronger

A B C D E

**A/B, the bull**



## Scoreboard

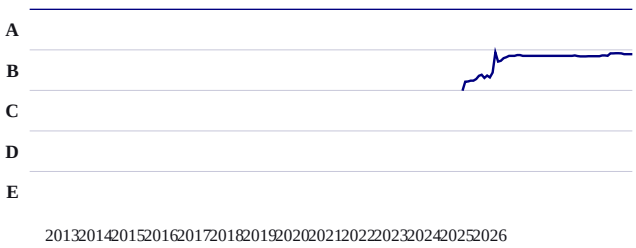
| | |
|---|---|
| **Profitability** | C<br>percentile 51.3 |
| **Solvency** | C<br>percentile 45.9 |
| **Growth and financing** | A/B<br>percentile 21.2 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.4B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: dilution, distress, fortress balance sheet |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Feb 26, 2026<br>260 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $13.51<br>2026-11-12; market equity $1.9B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 26, 2026*

Founded in 1986 by John Reed, our Chief Executive Officer ("CEO"), and his father, Arhaus, Inc. ("Arhaus", "Company", "we", "us" or "our") is a premium home furnishings brand built on a simple idea: furniture and décor should be responsibly sourced, lovingly made, and built to last. We operate a vertically integrated model, designing and sourcing products directly from skilled artisans and carefully selected manufacturing vendors around the world, including domestic upholstery production at our own North Carolina manufacturing facility.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 51.3** | | | | | | |
| Gross profitability | 38.5% | 42.6% | | 52.3 | 238 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |
| *one or more required annual facts are missing* | | | | | | |

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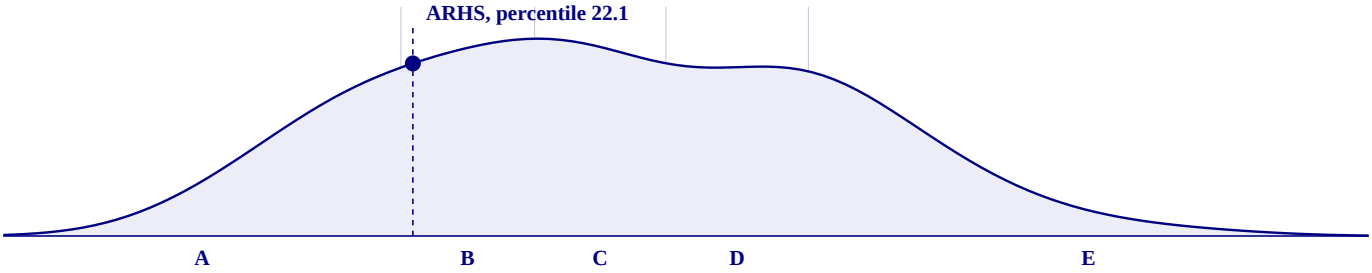
| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (5.4%) | (4.9%) | 47.5 | 283 | 2025-12-31 |
| Gross margin stability, five years | 1.5 pts | 1.3 pts | 54.0 | 216 | 2025-12-31 |
| **Solvency, sleeve percentile 45.9** | | | | | |
| Twelve-month failure probability | not computable | 0.03% | | | |
| *liabilities and a nearby cover-page share count are required at 2026-09-30* | | | | | |
| Altman Z double-prime | 2.16 | 1.93 | 42.9 | 204 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.38x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | not computable | 2.71x | | | |
| *latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 1.37x | 1.37x | 49.0 | 295 | 2025-12-31 |
| **Growth and financing, sleeve percentile 21.2** | | | | | |
| Revenue growth, three-year compound | 3.9% | 1.6% | 37.5 | 265 | 2025-12-31 |
| Free cash flow growth, three-year compound | 39.3% | 4.6% | 12.7 | 151 | 2025-12-31 |
| Reinvestment rate | 108.6% | 16.4% | 13.3 | 151 | 2025-12-31 |
| Asset growth, three years | not computable | 3.1% | | | |
| *four consecutive annual observations are required* | | | | | |
| Net share issuance, one year | not computable | (0.6%) | | | |
| *two annual share counts are required; found 0* | | | | | |

## Among 254 peers

*shops; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 52 | Cardinal Health Inc. (CAH) | 20.2 | A/B | |
| 53 | TE Connectivity plc (TEL) | 20.6 | A/B | |
| 54 | Chewy, Inc. (CHWY) | 20.9 | A/B | |
| 55 | Hour Loop, Inc. (HOUR) | 21.3 | A/B | |
| 56 | Buckle Inc. (BKE) | 21.7 | A/B | |
| 57 | Arhaus, Inc. (ARHS) | 22.1 | A/B | |
| 58 | Pricesmart Inc. (PSMT) | 22.5 | A/B | fortress balance sheet |
| 59 | Wesco International Inc. (WCC) | 22.9 | A/B | |
| 60 | Sprouts Farmers Market, Inc. (SFM) | 23.3 | B | fortress balance sheet |
| 61 | EVI Industries, Inc. (EVI) | 23.7 | B | |
| 62 | Academy Sports & Outdoors, Inc. (ASO) | 24.1 | B | |

## What the price implies

*at the 2026-11-12 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (0.8%) | (0.8%) | 49 |
| Distance from 52-week high | (10.0%) | (19.8%) | 73 |
| EBIT to enterprise value | not computable | 5.1% | |
| Free cash flow yield | 3.2% | 3.8% | 44 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.23 | 0.35 | 38 |
| Sales to price | 0.74 | 1.53 | 30 |
| Composite equity issuance, five years | not computable | (16.9%) | |
| Relative strength against the sector, log excess return | 0.08 | 0.08 | 49 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $318.0M |
| Operating cash flow, four quarters | $182.3M |
| Months of runway | not finite |
| Days since last periodic filing | 8 (10-Q received Nov 5, 2026) |
| Median daily dollar volume, 63 sessions | $14.4M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $536.4M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 2 | assets | us-gaap:Assets | $1.4B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 3 | net income | us-gaap:NetIncomeLoss | $67.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $136.8M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 5 | assets | us-gaap:Assets | $1.2B | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.4B | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 7 | gross profit | us-gaap:GrossProfit | $501.2M | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.3B | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 9 | gross profit | us-gaap:GrossProfit | $540.4M | 2023-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.3B | 2023-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 11 | gross profit | us-gaap:GrossProfit | $525.1M | 2022-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.2B | 2022-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 13 | gross profit | us-gaap:GrossProfit | $329.9M | 2021-12-31 | 2024-03-11 | 10-K | 24-000024 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $796.9M | 2021-12-31 | 2024-03-11 | 10-K | 24-000024 |
| 15 | current assets | us-gaap:AssetsCurrent | $621.4M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $453.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $210.4M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $88.9M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 19 | book equity | us-gaap:StockholdersEquity | $418.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 20 | liabilities | us-gaap:Liabilities | $976.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | $184.7M | 2022-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 22 | interest expense | us-gaap:InterestExpense | $3.4M | 2022-12-31 | 2023-03-09 | 10-K | 23-000018 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $77.9M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $147.1M | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $107.4M | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $168.7M | 2023-12-31 | 2026-02-26 | 10-K | 26-000010 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $93.4M | 2023-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $77.5M | 2022-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $55.7M | 2022-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $46.8M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 31 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $92.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 32 | income tax | us-gaap:IncomeTaxExpenseBenefit | $24.7M | 2025-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 33 | current assets | us-gaap:AssetsCurrent | $531.0M | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 34 | current liabilities | us-gaap:LiabilitiesCurrent | $402.5M | 2024-12-31 | 2026-02-26 | 10-K | 26-000010 |
| 35 | assets | us-gaap:Assets | $1.1B | 2023-12-31 | 2025-02-26 | 10-K | 25-000021 |
| 36 | assets | us-gaap:Assets | $1.0B | 2023-06-30 | 2024-03-11 | 10-K | 24-000024 |

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