



NOVA LIFESTYLE, INC. ANNOUNCES PRICING OF \$3.1 MILLION REGISTERED DIRECT OFFERING

Los Angeles, California, July 23, 2021 (GLOBE NEWSWIRE) -- Nova Lifestyle, Inc. (NASDAQ Capital Market: NVFY) (the "Company"), today announced that it has entered into definitive agreements with certain institutional investors to purchase 1,114,508 of its shares of common stock in a registered direct offering. Additionally, the Company has also agreed to issue to the investors unregistered warrants to purchase up to an aggregate of 1,114,508 shares of common stock in a concurrent private placement. The combined purchase price for one share of common stock and a warrant to purchase one share of common stock is \$2.80. The warrants have an exercise price of \$3.50 per share, will be exercisable beginning six-months from the date of issuance, and will expire five and one half years from the date of issuance.

Dawson James Securities, Inc. is acting as the sole placement agent in connection with the offering.

The gross proceeds from the registered direct offering and concurrent private placement are expected to be approximately \$3.1 million, before payment of commissions and expenses. The Company plans to use the net proceeds from the offering for working capital and general corporate purposes. The closing of the registered direct offering and concurrent private placement is expected to take place on or about July 27, 2021, subject to the satisfaction of customary closing conditions.

The offering of the common stock described above (but not the warrants or the shares of common stock underlying the warrants) is being made pursuant to an effective "shelf" registration statement on Form S-3 (File No. 333-249384), that was previously filed with the Securities and Exchange Commission ("SEC") and declared effective by the SEC on October 15, 2020. Such shares of common stock may be offered only by means of a prospectus, including a prospectus supplement. A prospectus supplement and accompanying prospectus related to the offering of common stock will be filed with the SEC and will be available on the SEC's website located at <http://www.sec.gov>. Copies of the prospectus supplement and the accompanying prospectus relating to the offering of common stock may be obtained, when available, by contacting Dawson James Securities, Inc., Attention: Prospectus Department, 101 North Federal Highway, Suite 600, Boca Raton, FL, 33432, cwachowiz@dawsonjames.com or toll free at 866.928.0928.

The warrants issued in the concurrent private placement and shares of common stock underlying the warrants are being offered in a private placement under Section 4(a)(2) of the Securities Act

of 1933, as amended (the "Act"), and Regulation D promulgated thereunder and, along with the shares of common stock underlying the warrants, have not been registered under the Act, or applicable state securities laws. Accordingly, the warrants and underlying shares of common stock may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Nova Lifestyle, Inc.

Nova LifeStyle, Inc. is a well-established, innovative designer and distributor of modern lifestyle furniture; primarily sofas, dining room furniture, cabinets, office furniture and related components, bedroom furniture, and various accessories, in matching collections. Nova LifeStyle's product lines include the Nova Brands and Diamond Sofa (www.diamondsofa.com). Nova's products feature urban contemporary styles that integrate comfort and functionality, incorporating upscale luxury designs which appeal to middle and upper middle-income consumers in the USA, China, Europe, and elsewhere in the world.

Forward-Looking Statements

Some of the statements in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. Forward-looking statements in this press release include, without limitation, the ability of the Company to close the offering. These statements relate to future events, future expectations, plans and prospects. Although the Company believes the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. The Company has attempted to identify forward-looking statements by terminology including "believes," "estimates," "anticipates," "expects," "plans," "projects," "intends," "potential," "may," "could," "might," "will," "should," "approximately" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including those discussed under Item 1A. "Risk Factors" in the Company's most recently filed Form 10-K filed with the Securities and Exchange Commission ("SEC") and updated from time to time in its Form 10-Q filings and in its other public filings with the SEC. Any forward-looking statements contained in this press release speak only as of its date. The Company undertakes no obligation to update any forward-looking statements contained in this press release to reflect events or circumstances occurring after its date or to reflect the occurrence of unanticipated events.

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