



NOVA LIFESTYLE, INC. REPORTS SECOND QUARTER FY 2023 RESULTS

LOS ANGELES, August 14, 2023(GLOBE NEWSWIRE) -- Nova LifeStyle, Inc. (NASDAQ: NVFY) (“Nova LifeStyle” or the “Company”) today announced its financial results for the second quarter ended June 30, 2023.

Key Financial Highlights:

Operating Results for the Three Months Ended June 30, 2023

- Net sales for three months ended June 30, 2023 were \$4.5 million, an increase of 17% from \$3.8 million in the same period of 2022.
- Gross profit was \$1.4 million compared to (\$3.5 million) loss in the same period of 2022.
- Net loss was (\$539 thousand), compared to (\$5.7 million) loss in the same period of 2022.

Operating Results for the Six Months Ended June 30, 2023

- Net sales for the six months ended June 30, 2023 were \$6.3 million, a decrease of 15% from \$7.5 million in the same period 2022.
- Gross profit was \$2.1 million, compared to (\$2.0 million) loss in the same period of 2022.
- Net loss was (\$1.8 million), compared to (\$6.6 million) loss in the same period of 2022.

Tawny Lam, Chairperson and Chief Executive Officer of Nova LifeStyle, stated, “I am very pleased with our revenue increase during the quarter which reflects our ongoing commitment to manufacturing and delivering products that are in demand and are well-received by consumers. Our efforts showed a gross profit during the quarter that reflects the benefits from the significant investments we’ve made, demonstrating the progress we’ve achieved since the pandemic.”

“I’m proud of our team for their commitment as we faced a more challenging than expected operating environment driven by numerous challenges, including but not limited to cargo shipments, supply disruptions and higher interest rates. However, our investments in the operations are making a difference and are allowing us to plan accordingly and recover as quickly as possible,” concluded Ms. Lam.

About Nova LifeStyle

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, Southeast Asia, and elsewhere in the world.

Visit Nova LifeStyle's website at www.NovaLifeStyle.com.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, among others, our ability to fully resume our operations and remain financially healthy, our expected future growth prospects. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as “anticipate,” “estimate,” “believe,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “should,” “will,” “expect,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “effort,” “target,” “trajectory,” “focus,” “work to,” “attempt,” “pursue,” or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.

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