



NOVA LIFESTYLE, INC. REPORTS THIRD QUARTER FY 2021 RESULTS

LOS ANGELES, November 15, 2021(GLOBE NEWSWIRE) -- Nova LifeStyle, Inc. (NASDAQ: [NVFY](#)) (“Nova LifeStyle” or the “Company”) today announced its financial results for the third quarter ended September 30, 2021.

Key Financial Highlights:

Operating Results for the Three Months Ended September 30, 2021

- Net sales for three months ended Sept 30, 2021 were \$2.9 million, a decrease of 12% from \$3.3 million in the same period of 2020.
- Gross profit was \$1.4 million, compared to a gross loss of \$6.6 million in the same period of 2020; Gross profit was \$1.2 million if excluding our write down of \$7.8 million of our slow-moving inventory in the same period of 2020.
- Net loss from continuing operations was \$1.4 million, compared to \$8.2 million loss in the same period of 2020.

Operating Results for the Nine Months Ended September 30, 2021

- Net sales for the nine months ended Sept 30, 2021 were \$9.8 million, an increase of 25% from \$7.8 million in the same period 2020.
- Gross loss was \$1.2 million, compared to a gross loss of \$4.9 million in the same period of 2020; Gross profit was \$4.3 million if excluding of our write down of \$5.5 million of our slow-moving inventory, compared to a gross profit of \$2.8 million if excluding of our write down of \$7.8 million of our slow-moving inventory in the same period of 2020.
- Net loss from continuing operations was \$8.5 million, compared to \$9.7 million loss in the same period of 2020.

Tawny Lam, Chairperson and Chief Executive Officer of Nova LifeStyle, stated, “The third quarter results had a moderate decrease in sales but with our shift to higher margin products we generated strong gross profit margins which illustrates the success of our strategy of shifting to higher margin products.”

“During the third quarter we successfully raised capital to strengthen our position and allow us to execute on a number of initiatives that we believe will contribute to our sales and marketing efforts. We also believe our inventory levels allow us to support incoming orders and expedite customer purchase orders in a quick and efficient manner. We were also very encouraged by the responses we received at the Las Vegas Market Tradeshow in September,” 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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