

FirstTime Design Limited Announces Third Quarter 2022 Results

December 20, 2022

Pewaukee, WI –

FIRSTTIME DESIGN LIMITED (FTDL) today announced financial results for the third-quarter period ending September 30, 2022.

Financial Results Summary

Income Statement Summary	<u>Third Quarter Period</u>		<u>Year to Date Period</u>	
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
Net Sales	\$ 2,880,000	\$ 5,995,000	\$ 12,679,000	\$ 18,609,000
Sales Growth %	-52.0%	-5.7%	-31.9%	32.9%
EBITDA	\$ (1,561,000)	\$ 563,000	\$ (3,184,000)	\$ 1,502,000
Margin %	-54.2%	9.4%	-25.1%	7.0%
Net Income	\$ (1,656,000)	\$ 470,000	\$ (3,463,000)	\$ 1,338,000
Margin %	-57.5%	0.8%	-27.3%	5.3%
Earnings per Share	\$ (1.43)	\$ 0.41	\$ (3.00)	\$ 1.16
EPS Growth %	NMF	-39.3%	NMF	0.0%
Wtd. Avg. Shares Out.	1,154,651	1,154,651	1,154,651	1,154,651

Balance Sheet Summary	<u>Year to Date Period</u>	
	9/30/2022	9/30/2021
Net Tangible Working Capital	\$ 7,212,000	\$ 13,654,000
Net Debt	\$ 5,209,000	\$ 7,596,000
Total Shareholder's Equity	\$ 6,025,000	\$ 10,201,000

Operational Results Summary

Chairman and CEO Christopher D. Bering said “as expected, the third quarter continues to be a reset for our business. We continue to work through higher cost inventory due to hyperinflationary forces in the container space which have the impact of suppressing our gross margins. That being said, shipping and container costs remain historically low, and we expect to see gross margins normalize over time. Though we expect the Company’s reset to extend into the fourth quarter, with the normalization of container costs, we hope to see the Company’s losses narrow in 2023.”

Bering continued “As a result of the Company’s losses, we are taking steps to continue to put the Company in a position to see through the current situation including consolidating warehouse space, reviewing our

operating expenses, and working with all stakeholders in our business as we manage through this period to get the business back to profitability.”

About FirstTime Design Limited

FirstTime Design Limited is an industry-leading designer, marketer, and distributor of home goods and sleep environment products, which are sold through multiple, national retailers as well as through a vast network of e-commerce channels. More information about the Company can be found at www.firsttime.com or www.otcmarkets.com/stock/FTDL/quote.

Cautionary Statement Regarding Forward-Looking Statements

This document contains certain forward-looking statements about FirstTime and its general business outlook. When used in this document, the words "anticipates", "can", "will", "look forward to", "expected" and similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward-looking statements. Any such statement may be influenced by a variety of factors, many of which are beyond the control of FirstTime, that could cause actual outcomes and results to be materially different from those projected, described, expressed, or implied in this document due to several risks and uncertainties. Potential risks and uncertainties include, among others, the possibility that the anticipated continued growth of FirstTime may not be achieved, general economic conditions in regions in which FirstTime does business, and the possibility that FirstTime may be adversely affected by other financial, business, and/or competitive factors. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of FirstTime.