

Tandy Leather Factory Reports First Quarter 2023 Results

FORT WORTH, Texas, May 16, 2023 (GLOBE NEWSWIRE) -- Tandy Leather Factory, Inc. (Nasdaq: TLF) today announced the Company's financial results for the first fiscal quarter 2023, ended March 31, 2023.

First Quarter Highlights:

- Revenues were \$20.4 million, down 1% from 2022
- Generated operating income of \$1.0 million
- Net income of \$0.7 million
- Gross margins of 58.1%
- Adjusted EBITDA* of \$1.5 million
- Ended quarter with \$8.6 million of cash and cash equivalents

Tandy Leather Factory's first quarter sales were \$20.4 million in 2023, down from \$20.5 million in 2022. First quarter 2023 gross profit was \$11.8 million versus \$11.9 million in 2022. As of March 31, 2023, the Company held \$8.6 million of cash and cash equivalents, up from \$8.0 million at year end. The Company held inventory of \$35.9 million, down from \$38.2 million as of December 31, 2022. The Company had net basic and diluted net income in the quarter of \$0.08 per diluted share, which was flat to the prior year. Additional details regarding the Company's first quarter 2023 results can be found in its Quarterly Report on Form 10-Q, filed with the SEC on May 15, 2023.

Janet Carr, Chief Executive Officer of the Company, said, "We are pleased with our first quarter operating income of \$1.0 million despite a slight decline in total sales. Our strategy to manage operating expenses, maintain gross margin and deliver positive cash even in the face of weakening consumer demand is working. With a number of unprofitable stores pruned from the fleet over the last year, we believe we've made good progress toward our goal to build the business model that delivers sustainable profit and cash and positions us to grow future sales as the demand environment improves."

The Company will host an investor presentation online (via Zoom) and by phone on May 18, 2023, at 9:00 am CT to discuss the Company's first quarter operating results. Please note that those wishing to ask questions during the presentation will need to have an audio connection (by device or phone dial-in) in order to do so; questions submitted by text or chat will not be read aloud during the presentation but may be answered privately afterwards. Investors and other interested participants may attend the presentation on the web or by phone as follows:

Topic: Tandy Leather 2023 Q1 Investor Call
Time: May 18, 2023 09:00 AM Central Time (US and Canada)

Join Zoom Meeting
<https://us02web.zoom.us/j/89231321752?pwd=dWZpeVR0Q21rd05Pa1NHU2tRMUhudz09>

Meeting ID: 892 3132 1752
Passcode: 919981
One tap mobile
+13092053325,,89231321752#,,,,*919981# US
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Dial by your location
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 646 931 3860 US
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
+1 305 224 1968 US
+1 719 359 4580 US
+1 253 205 0468 US
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)
+1 360 209 5623 US
+1 386 347 5053 US
+1 507 473 4847 US
+1 564 217 2000 US
+1 669 444 9171 US
+1 669 900 6833 US (San Jose)
+1 689 278 1000 US

Meeting ID: 892 3132 1752
Passcode: 919981
Find your local number: <https://us02web.zoom.us/j/89231321752?pwd=dWZpeVR0Q21rd05Pa1NHU2tRMUhudz09>

* Adjusted EBITDA is a non-GAAP financial measure that the Company believes helps investors to compare its operating performance to that of other companies. The following is a reconciliation of the Company's net income to Adjusted EBITDA (in millions):

	Three months ended
	March 31, 2023
Net income	\$ 664
Add back:	
Depreciation and amortization	285
Interest expense	-
Income tax provision	278
Stock-based compensation	228
Adjusted EBITDA	\$ 1,455

Tandy Leather Factory, Inc., (<https://www.tandyleather.com>), headquartered in Fort Worth, Texas, is a specialty retailer of a broad product line, including leather, leatherworking tools, buckles and adornments for belts, leather dyes and finishes, saddle and tack hardware, and do-it-yourself kits. The Company distributes its products through its 101 North American stores located in 40 US states and six Canadian provinces, and one store located in Spain. Its common stock trades on the Nasdaq Capital Market under the symbol "TLF". To be included on Tandy Leather Factory's email distribution list, go to: <https://www.b2i.us/irpass.asp?BzID=1625&to=ea&s=0>.

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This news release may contain statements regarding future events, occurrences, circumstances, activities, performance, outcomes and results that are considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Actual results and events may differ from those projected as a result of certain risks and uncertainties. These risks and uncertainties include but are not limited to: changes in general economic conditions, negative trends in general consumer-spending levels, failure to realize the anticipated benefits of opening retail stores; availability of hides and leathers and resultant price fluctuations; change in customer preferences for our product, and other factors disclosed in our filings with the Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof, and except as required by law, we do not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



5/16/2023 9:00:00 AM