



Tuesday Morning Successfully Completes Restructuring Process

January 4, 2021

*Emerges with more focused, streamlined business
Additional liquidity supports long-term growth
Well-positioned to serve customers as a leading off-price home goods retailer*

DALLAS, Jan. 04, 2021 (GLOBE NEWSWIRE) -- Tuesday Morning and certain of its subsidiaries (collectively "Tuesday Morning" or the "Company") today announced that it has successfully completed its financial and operational reorganization and emerged from Chapter 11.

Tuesday Morning is supported by a \$110 million asset-backed lending facility provided by J.P. Morgan, Wells Fargo, and Bank of America. The Company has further optimized its store footprint and is emerging with 490 of its best performing stores.

"We have emerged with a streamlined operating model, and are well-positioned to execute on our strategy," stated Steve Becker, Chief Executive Officer. "I want to thank our associates, customers, vendors, creditors, and equity investors for their steadfast support that helped us get to this critical milestone. Tuesday Morning is poised for a bright future in the off-price home goods market and we look forward to continue serving our valued customers."

"Tuesday Morning worked diligently with our advisors to craft a plan of reorganization that paid our vendor claims in full while protecting our shareholders. We are especially pleased that our plan of reorganization has attracted significant new institutional ownership while allowing our shareholders to participate in the upcoming \$40 million rights offering," continued Becker.

Court filings and other documents related to the court-supervised process are available at <https://dm.epiq11.com/TuesdayMorning>.

Tuesday Morning was advised in this process by Haynes and Boone, LLP as legal advisor, Miller Buckfire, a Stifel company, as financial advisor, and AlixPartners, LLP as restructuring advisor.

About Tuesday Morning

Tuesday Morning Corporation is one of the original off-price retailers specializing in name-brand, high-quality products for the home, including upscale home textiles, home furnishings, housewares, gourmet food, toys and seasonal décor, at prices generally below those found in boutique, specialty and department stores, catalogs and on-line retailers. Based in Dallas, Texas, the Company opened its first store in 1974 and currently operates 490 stores in 40 states. More information and a list of store locations may be found on the Company's website at www.tuesdaymorning.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995, which are based on management's current expectations, estimates and projections. Forward looking statements also include statements regarding the Company's plans with respect to the emergence from its Chapter 11 proceedings, the Company's liquidity and capital structure following emergence, and other statements regarding the Company's future operations, performance and prospects. These forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from the expectations expressed in the Company's forward-looking statements. These risks, uncertainties and events also include, but are not limited to, the following: the Company's ability to complete its proposed rights offering; the effects and length of the novel coronavirus pandemic; changes in economic and political conditions which may adversely affect consumer spending; our ability to identify and respond to changes in consumer trends and preferences; our ability to mitigate reductions of customer traffic in shopping centers where our stores are located; our ability to continuously attract buying opportunities for off-price merchandise and anticipate consumer demand; our ability to obtain merchandise on varying payment terms; our ability to successfully manage our inventory balances profitably; our ability to effectively manage our supply chain operations; loss of, disruption in operations of, or increased costs in the operation of our distribution center facility; unplanned loss or departure of one or more members of our senior management or other key management; increased or new competition; our ability to maintain and protect our information technology systems and technologies and related improvements to support our growth; increases in fuel prices and changes in transportation industry regulations or conditions; increases in the cost or a disruption in the flow of our imported products; changes in federal tax policy including tariffs; the success of our marketing, advertising and promotional efforts; our ability to attract, train and retain quality employees in appropriate numbers, including key employees and management; increased variability due to seasonal and quarterly fluctuations; our ability to protect the security of information about our business and our customers, suppliers, business partners and employees; our ability to comply with existing, changing and new government regulations; our ability to manage risk to our corporate reputation from our customers, employees and other third parties; our ability to manage litigation risks from our customers, employees and other third parties; our ability to manage the risk associated with product liability claims and product recalls; the impact of adverse local conditions, natural disasters or other events; our ability to manage the negative effects of inventory shrinkage; our ability to manage unexpected costs related to our insurance programs; increased costs or exposure to fraud or theft resulting from payment card industry related risks and regulations; our ability to maintain an effective system of internal controls over financial reporting; impacts from the delisting of our common stock from the Nasdaq Stock Market; and the other factors listed in the Company's filings with the Securities and Exchange Commission.

Except as may be required by law, the Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements were made or to reflect the occurrence of unanticipated events. Investors are cautioned not to place undue reliance on any forward-looking statements.

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