

Consumer: DTC & Disruptors
Company Update
The Lovesac Company | LOVE - \$44.63 - NYSE | Buy
Stock Data

52-Week Low - High	\$35.07 - \$95.51
Shares Out. (mil)	15.12
Mkt. Cap.(mil)	\$674.94
3-Mo. Avg. Vol.	326,419
12-Mo.Price Target	\$115.00
Cash (mil)	\$47.9
Tot. Debt (mil)	\$0.0

Revenue (\$ millions)

Yr Jan	—2022E—	—2023E—	—2024E—
		Curr	Curr
1Q	82.9A	104.8E	NA
2Q	102.4A	126.0E	NA
3Q	116.7A	151.0E	NA
4Q	175.3E	227.4E	NA
YEAR	477.3E	609.2E	720.2E

EBITDA

Yr Jan	—2022E—	—2023E—	—2024E—
		Curr	Curr
1Q	5.3A	(0.5)E	NA
2Q	12.4A	7.0E	NA
3Q	5.8A	13.0E	NA
4Q	12.7E	27.2E	NA
YEAR	36.2E	46.8E	61.7E

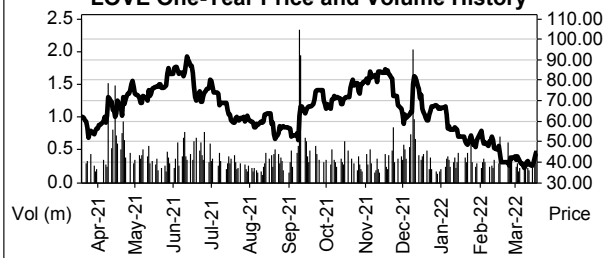
EPS \$

Yr Jan	—2022E—	—2023E—	—2024E—
		Curr	Curr
1Q	0.13A	(0.23)E	NA
2Q	0.52A	0.24E	NA
3Q	0.17A	0.58E	NA
4Q	0.57E	1.39E	NA
YEAR	1.35E	2.00E	2.82E
P/E	33.1x	22.3x	15.8x

LOVE: ROTH Conference Takeaways

We hosted Lovesac Founder and CEO Shawn Nelson for a fireside chat at the 34th Annual ROTH Conference. Our three key takeaways: (1) Lovesac growth momentum appears to be sustaining into F2023 despite some of the macro headwinds on perceived “stay-at-home” categories like furniture; (2) Stealthtech product performance is likely quite healthy and should drive tailwinds to growth ahead; and (3) recent marketing efficiency gains may be sustainable as word-of-mouth picks up as a key source of traffic.

- **(1) Lovesac growth momentum appears to be sustaining into F2023 despite some of the macro headwinds on perceived “stay-at-home” categories like furniture.** While certain home goods players have showed signs of slowing in the recent quarter (either demand or supply-chain related challenges), we do not believe Lovesac has seen significant challenges on either the demand or supply chain front, and as a result, remain comfortable with our forecasted revenue for 4FQ and F2023 (we are roughly inline with consensus forecasts on both metrics).
- **(2) Stealthtech product performance is likely quite healthy and should drive tailwinds to growth ahead.** Management noted the product launch continues to proceed on plan with healthy attach rates to regular Sactional products. While management is understandably guarded with respect to Stealthtech performance, we note our recent store checks suggest strong performance for Stealthtech which may be more additive to AOVs than we had initially expected (anecdotally we are hearing of larger systems and faster-than-expected sales). Our initial base case assumption was a ~10% attach rate and AOVs of ~\$3k on top of a Sactional AOV in the ~\$4k range. This should have driven MSD-HSD percentage growth in AOVs on an annual basis. However, assuming higher AOVs and a higher attach rate could drive AOV growth into the teens on a percentage basis. This is not yet factored into our model, but is becoming a more likely scenario heading into F2023.
- **(3) Recent marketing efficiency gains may be sustainable as word-of-mouth picks up as a key source of traffic.** CEO Shawn Nelson noted word-of-mouth as the most important source of customer traffic for Lovesac, which suggests marketing efficiency gains made in 3FQ (-110bps of YoY leverage) could be sustainable going forward. We note we are not modeling an improvement in marketing efficiency in F2023 (we are forecasting \$85mn in marketing, 14.0% of sales, +50bps vs. our 13.5% estimate in F2022). A 50bps improvement vs. our base case 14.0% forecast would drive ~\$3mn in incremental EBITDA.

LOVE One-Year Price and Volume History


VALUATION

- Our \$115 price target applies a 3.0x EV/sales multiple to our F2023 revenue estimate.
- Impediments to our price target include a deeper-than-expected or more-protracted economic downturn stemming from the COVID-19 pandemic, the potential for supply chain challenges, and the departure of members of the senior management team.

RISKS

- Lovesac faces competition from other “sit and sleep” brands, department stores, and a variety of retailers. Increased competition within the space could lead to higher marketing expenses and the loss of or inability to capture market share.
- The company is highly dependent upon marketing and awareness investments to drive traffic. If Lovesac experiences muted traffic revenue growth could be affected.
- Lovesac’s growth relies upon a high conversion rate from traffic across channels. Failure to maintain a high conversion rate could negatively impact results.
- The company depends upon its ability to open new showrooms and/or enter new retail partner doors. Lackluster showroom openings or delayed entrance into new retail partner doors could negatively affect results.
- The company relies on the efforts of senior management; the departure of key members could negatively affect results.
- The company’s sales and profitability are seasonally skewed towards the fiscal fourth quarter as is Lovesac’s profitability when applicable. As such inclement weather or the disruption of holiday trends could negatively impact the business.
- The company may not be able to adequately protect its intellectual property and patent portfolio.

COMPANY DESCRIPTION

The Lovesac Company designs, markets, and sells modular couches (Sactionals), beanbag chairs (Sacs), and related accessories through an omni-channel approach that includes more than 90 showrooms, its own website (lovesac.com), and pop-up/shop-in-shops within large retailers like Costco, Macy’s, and Best Buy. The company’s core Sactional product is a patent-protected, modular “couch-in-a-box” that is easily shippable, reconfigurable, and designed with sustainable materials. Lovesac uses third party manufacturers based in the US (California, Texas, North Carolina), China (Shanghai, Hangzhou, Jiaxing, among others), and Vietnam (Ho Chi Minh City) while a network of third party logistics providers and common carriers deliver its products to consumers. Lovesac completed its initial public offering in June 2018 at \$16 per share. The company was founded in 1988 and is based in Stamford, Connecticut.

The Lovesac Company (LOVE)

(\$ millions, except per share data)

Fiscal Year End ~1/31

Matt Koranda

ROTH Capital Partners

mkoranda@roth.com

949.275.2806

INCOME STATEMENT

	F2018A	F2019A	F2020A	1FQ21A	2FQ21A	3FQ21A	4FQ21A	F2021A	1FQ22A	2FQ22A	3FQ22A	4FQ22E	F2022E	1FQ23E	2FQ23E	3FQ23E	4FQ23E	F2023E	F2024E
	Feb-18	Feb-19	Feb-20	May-20	Aug-20	Nov-20	Jan-21	Jan-21	May-21	Aug-21	Nov-21	Jan-22	Jan-22	May-22	Aug-22	Nov-22	Jan-23	Jan-23	Jan-24
Net Sales	101.8	165.9	233.4	54.4	61.9	74.7	129.7	320.7	82.9	102.4	116.7	175.3	477.3	104.8	126.0	151.0	227.4	609.2	720.3
Consensus (as of 03/17)													477.4	108.0	130.6	148.5	220.7	607.3	720.0
Cost of Goods Sold (COGS)	44.6	75.0	116.7	27.1	30.9	33.4	54.6	146.0	36.8	43.4	58.1	91.7	230.0	57.1	64.9	74.9	110.2	307.1	355.2
Gross Profit	57.2	90.9	116.7	27.3	31.1	41.3	75.1	174.8	46.1	59.0	58.6	83.6	247.3	47.6	61.1	76.1	117.3	302.2	365.1
Selling, General & Administrative (SG&A)	50.7	76.4	98.1	25.8	23.4	25.9	36.2	111.4	30.7	35.4	38.1	47.0	151.2	33.0	37.0	43.0	61.0	174.0	207.0
Marketing	9.2	18.4	29.2	8.2	7.2	11.0	15.6	41.9	10.7	13.0	15.8	25.0	64.5	16.0	18.0	21.0	30.0	85.0	100.0
Depreciation and Amortization	2.4	3.1	5.2	1.6	1.5	1.9	1.6	6.6	2.4	1.6	1.7	1.7	7.5	2.1	2.1	2.1	2.1	8.2	8.2
Operating expenses	62.3	97.9	132.5	35.7	32.1	38.8	53.4	159.9	43.8	50.0	55.6	73.7	223.2	51.1	57.1	66.1	93.1	267.2	315.2
EBIT	(5.0)	(7.0)	(15.8)	(8.4)	(1.0)	2.5	21.8	14.9	2.3	9.0	3.0	9.8	24.1	(3.4)	4.1	10.1	24.2	35.0	49.9
Net Interest Income (Expense)	(0.4)	0.4	0.6	0.1	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
EBT	(5.5)	(6.7)	(15.2)	(8.3)	(1.1)	2.5	21.7	14.8	2.2	9.0	2.9	9.8	23.9	(3.4)	4.1	10.0	24.2	34.8	49.7
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.5	0.2	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Net Income, reported	(5.5)	(6.7)	(15.2)	(8.3)	(1.1)	2.5	21.7	14.7	2.1	8.4	2.8	9.8	23.1	(3.4)	4.1	10.0	24.2	34.8	49.7
EPS, GAAP	(\$1.12)	(\$3.28)	(\$1.07)	(\$0.58)	(\$0.08)	\$0.16	\$1.37	\$0.96	\$0.13	\$0.52	\$0.17	\$0.57	\$1.35	(\$0.23)	\$0.24	\$0.58	\$1.39	\$2.00	\$2.82
EPS, adjusted	(\$0.27)	(\$0.19)	(\$1.04)	(\$0.58)	(\$0.08)	\$0.16	\$1.37	\$0.96	\$0.13	\$0.52	\$0.17	\$0.57	\$1.35	(\$0.23)	\$0.24	\$0.58	\$1.39	\$2.00	\$2.82
Consensus (as of 03/17)												\$0.54	\$1.36	(\$0.18)	\$0.27	\$0.56	\$1.39	\$2.00	\$3.08
Avg FD Common Shares	6.0	10.5	14.3	14.5	14.5	15.6	15.8	15.3	16.1	16.1	16.1	17.2	17.1	15.2	17.3	17.3	17.4	17.4	17.6
Adjusted for offerings, shares	13.4	13.5																	
EBITDA RECONCILIATION																			
Net income	(5.5)	(6.7)	(15.2)	(8.3)	(1.1)	2.5	21.7	14.7	2.1	8.4	2.8	9.8	23.1	(3.4)	4.1	10.0	24.2	34.8	49.7
Interest expense	0.4	(0.4)	(0.6)	(0.1)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.1
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.5	0.2	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0
D&A	2.4	3.1	5.2	1.6	1.5	1.9	1.6	6.6	2.4	1.6	1.7	1.7	7.5	2.1	2.1	2.1	2.1	8.2	8.2
EBITDA	(2.7)	(3.9)	(10.6)	(6.7)	0.5	4.4	23.3	21.5	4.7	10.6	4.7	11.6	31.5	(1.4)	6.1	12.1	26.3	43.2	58.1
Adjustments (1)		0.0	0.0																
Management fees	0.5	1.2	0.6	0.1	0.1	0.1	0.1	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Rent	0.4	0.5	0.7	(0.0)	0.9	0.4	0.1	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Stock based compensation	1.0	3.3	5.2	0.9	0.7	1.1	2.0	4.7	0.7	1.2	1.1	1.1	4.1	0.9	0.9	0.9	0.9	3.6	3.6
Gain (loss) on disposal of PP&E	0.2	0.3	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment of PP&E		0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.0	0.6	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Other non-recurring expenses	2.0	2.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj EBITDA	1.3	3.4	(3.7)	(5.7)	2.2	6.0	25.9	28.3	5.3	12.4	5.8	12.7	36.2	(0.5)	7.0	13.0	27.2	46.8	61.7
Consensus (as of 03/17)												12.8	36.6	1.6	7.9	13.1	26.6	48.9	74.4
SEGMENT INFORMATION																			
Sales By Channel																			
Showrooms	76%	68%	63%	33%	21%	56%	57%	46%	59%	61%	60%	57%	59%	59%	62%	60%	59%	60%	60%
Internet	19%	20%	24%	55%	74%	34%	38%	47%	30%	29%	30%	37%	32%	31%	29%	28%	32%	30%	29%
Other (Costco Roadshows / Shop-In-Shops)	5%	12%	13%	11%	5%	10%	5%	7%	11%	10%	10%	7%	9%	10%	10%	12%	9%	10%	11%
PROFITABILITY RATIOS																			
Gross profit %	56.2%	54.8%	50.0%	50.2%	50.1%	55.3%	57.9%	54.5%	55.6%	57.6%	50.2%	47.7%	51.8%	45.5%	48.5%	50.4%	51.6%	49.6%	50.7%
Consensus (as of 03/17)													48.3%	48.3%	49.4%	51.0%	51.4%	50.3%	51.3%
SG&A %	49.8%	46.1%	42.1%	47.5%	37.7%	34.7%	27.9%	34.7%	37.1%	34.5%	32.6%	26.8%	31.7%	31.5%	29.4%	28.5%	26.8%	28.6%	28.7%
Marketing %		11.1%	12.5%	15.1%	11.6%	14.7%	12.0%	13.1%	12.9%	12.7%	13.6%	14.3%	13.5%	15.3%	14.3%	13.9%	13.2%	14.0%	13.9%
EBIT %	-4.9%	-4.2%	-6.8%	-15.4%	-1.7%	3.4%	16.8%	4.6%	2.7%	8.8%	2.5%	5.6%	5.0%	-3.3%	3.3%	6.7%	10.6%	5.7%	6.9%
EBT %	-5.4%	-4.0%	-6.5%	-15.3%	-1.7%	3.3%	16.7%	4.6%	2.7%	8.7%	2.5%	5.6%	5.0%	-3.3%	3.2%	6.6%	10.6%	5.7%	6.9%
Net %	-5.4%	-4.0%	-6.5%	-15.4%	-1.8%	3.3%	16.7%	4.6%	2.5%	8.2%	2.4%	5.6%	4.8%	-3.3%	3.2%	6.6%	10.6%	5.7%	6.9%
Tax rate %	-0.5%	-0.2%	-0.3%	-0.3%	-3.1%	0.4%	0.1%	0.6%	6.9%	5.7%	5.9%	0.0%	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adj. EBITDA %	1.3%	2.0%	-1.6%	-10.5%	3.5%	8.0%	19.9%	8.8%	6.4%	12.1%	5.0%	7.2%	7.6%	-0.4%	5.6%	8.6%	11.9%	7.7%	8.6%
GROWTH RATES (INC STMT)																			
Revenues	33.4%	62.9%	40.7%	32.8%	28.7%	43.5%	40.7%	37.4%	52.5%	65.4%	56.1%	35.2%	48.8%	26.4%	23.0%	29.4%	29.8%	27.6%	18.2%
Cost of Sales	28.7%	68.2%	55.6%	35.7%	29.5%	29.4%	16.0%	25.1%	36.0%	40.5%	73.7%	68.1%	57.6%	55.1%	49.4%	29.0%	20.1%	33.5%	15.7%
Gross Profit	37.2%	58.8%	28.4%	30.0%	27.9%	57.3%	66.4%	49.8%	68.9%	90.1%	41.9%	11.2%	41.5%	3.4%	3.6%	29.9%	40.3%	22.2%	20.8%
Operating expenses	30.1%	57.3%	35.3%	17.6%	9.8%	17.1%	34.0%	20.7%	22.9%	55.9%	43.5%	38.2%	39.6%	16.5%	14.0%	18.7%	26.2%	19.7%	18.0%
SG&A	5.9%	50.7%	28.4%	8.3%	6.5%	6.0%	30.0%	13.5%	18.9%	51.3%	46.8%	29.9%	35.8%	7.4%	4.6%	12.9%	29.8%	15.1%	19.0%
Operating Income	-18.4%	39.8%	124.4%	-10.1%	-79.0%	-136.9%	308.4%	-194.1%	-126.9%	-967.5%	17.3%	-54.8%	61.8%	-251.5%	-54.5%	238.8%	146.1%	45.3%	42.6%
Pretax Income	-18.4%	39.8%	124.4%	-8.4%	-77.5%	-137.0%	299.4%	-194.1%	-126.5%	-935.2%	17.6%	-54.9%	61.8%	-256.0%	-54.6%	242.8%	146.6%	45.3%	42.6%
Net Income	-20.0%	21.9%	126.8%	-8.3%	-76.8%	-136.7%	300.7%	-196.9%	-124.6%	-863.2%	11.1%	-54.8%	56.6%	-267.7%	-51.9%	264.5%	146.6%	51.1%	42.8%
Adjusted EPS	-60.0%	-26.8%	436.4%	-13.4%	-75.7%	-134.6%	266.7%	-192.2%	-122.2%	-788.2%	7.7%	-58.3%	40.2%	-277.6%	-55.2%	237.7%	143.1%	48.9%	40.9%
Adjusted EBITDA		166.0%	-209.9%	22.1%	-166.2%	-259.6%	224.4%	-861.3%	-193.5%	467.8%	-2.4%	-51.0%	27.9%	-108.6%	-43.2%	124.1%	114.3%	29.2%	31.9%

Source: Company SEC filings and ROTH Capital Partners estimates

The Lovesac Company (LOVE)																		Matt Koranda	
(\$ millions, except per share data)																		ROTH Capital Partners	
Fiscal Year End ~1/31																		mkoranda@roth.com	
949.275.2806																			
BALANCE SHEET	F2018A	F2019A	F2020A	1FQ21A	2FQ21A	3FQ21A	4FQ21A	F2021A	1FQ22A	2FQ22A	3FQ22A	4FQ22E	F2022E	1FQ23E	2FQ23E	3FQ23E	4FQ23E	F2023E	F2024E
Cash & Equivalents	9.2	49.1	48.5	45.5	54.8	47.7	78.3	78.3	65.7	68.5	47.9	76.3	76.3	73.5	79.4	71.5	102.5	102.5	134.9
Trade Accounts Receivable, Net	2.8	4.0	7.2	7.1	6.2	7.2	4.5	4.5	6.9	7.4	9.8	7.7	7.7	9.2	6.9	8.3	7.5	7.5	8.8
Merchandise Inventories, Net	11.6	26.2	36.4	33.4	41.0	57.8	50.4	50.4	56.0	75.0	94.5	88.5	88.5	84.5	88.9	119.0	108.7	108.7	127.2
Prepaid Expenses and Other Current Assets	6.1	5.9	8.8	5.9	5.7	10.9	10.1	10.1	11.6	10.6	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4
Total Current Assets	29.7	85.1	100.9	91.9	107.8	123.5	143.4	143.4	140.2	161.4	163.6	183.9	183.9	178.6	186.6	210.2	230.0	230.0	282.3
Property, Plant & Equipment, Net	11.0	18.6	23.1	24.4	25.7	25.9	25.9	25.9	26.8	29.5	32.1	35.5	35.5	37.5	39.5	41.5	43.5	43.5	53.5
Operating lease right-of-use assets									96.2	88.9	95.6	95.6	95.6	95.6	95.6	95.6	95.6	95.6	95.6
Goodwill	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other Intangible Assets, Net	0.5	0.9	1.4	1.5	1.5	1.4	1.5	1.5	1.2	1.2	1.3	1.4	1.4	1.5	1.6	1.7	1.8	1.8	2.2
Total Noncurrent Assets	11.8	19.9	24.7	26.2	27.6	27.6	27.6	27.6	124.4	119.8	129.2	132.6	132.6	134.7	136.8	138.9	141.0	141.0	151.4
Total Assets	41.4	105.0	125.7	118.1	135.3	151.1	171.0	171.0	264.6	281.3	292.8	316.5	316.5	313.3	323.4	349.1	371.1	371.1	433.7
Current Portion of Long-Term Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts Payable	12.7	16.8	19.9	17.4	24.5	25.2	24.3	24.3	17.7	25.9	25.4	38.2	38.2	37.6	42.7	57.5	54.3	54.3	63.6
Total Current Liabilities	14.9	24.6	32.4	32.3	48.0	59.5	56.3	56.3	64.5	80.6	81.6	94.3	94.3	93.7	98.8	113.6	110.5	110.5	119.7
Line of Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Rent	1.1	1.6	3.1	3.2	5.5	6.4	6.7	6.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Noncurrent Liabilities	1.1	1.6	3.1	3.2	5.5	6.4	6.7	6.7	89.4	83.7	90.7	90.7	90.7	90.7	90.7	90.7	90.7	90.7	90.7
Total Liabilities	17.8	26.2	35.5	35.5	53.5	65.9	63.1	63.1	153.9	164.3	172.2	185.0	185.0	184.4	189.5	204.3	201.1	201.1	210.4
Total Stockholders' Equity	23.6	78.8	90.2	82.6	81.8	85.3	107.9	107.9	110.7	116.9	120.6	131.5	131.5	129.0	133.9	144.9	169.9	169.9	223.3
BALANCE SHEET RATIOS																			
Days of Inventory	97	127	114	116	121	155	82	126	144	157	147	85	140	142	125	143	88	130	131
Days Sales Outstanding (DSOs)	10	9	11	12	9	9	3	5	8	7	8	4	6	8	5	5	3	4	4
Days Payables Outstanding (DPOs)	106	82	62	60	72	68	40	61	46	54	39	37	60	63	60	69	44	65	65
Cash Conversion Cycle	1	54	63	68	58	96	46	70	106	109	115	52	85	87	70	79	47	69	70
Equity / Assets	57%	75%	72%	70%	60%	56%	63%	63%	42%	42%	41%	42%	42%	41%	41%	41%	46%	46%	51%
DuPont Analysis (ROE Deconstruction)																			
Return On Sales (Profit Margin)	-5%	-4%	-7%	-15%	-2%	3%	17%	5%	2%	8%	2%	6%	5%	-3%	3%	7%	11%	6%	7%
Asset Turnover (Sales / Assets)	2.5x	1.6x	1.9x	1.8x	1.8x	2.0x	3.1x	1.9x	1.2x	1.5x	1.6x	2.3x	1.5x	1.3x	1.6x	1.8x	2.5x	1.6x	1.7x
Financial Leverage (Assets / Equity)	1.8x	1.3x	1.4x	1.4x	1.7x	1.8x	1.6x	1.6x	2.4x	2.4x	2.4x	2.4x	2.4x	2.4x	2.4x	2.4x	2.2x	2.2x	1.9x
Return On Equity	-23%	-9%	-17%	-39%	-5%	12%	83%	14%	7%	29%	9%	31%	18%	-10%	12%	28%	58%	20%	22%
GROWTH RATES (BAL SHT)																			
Accounts Receivable	178%	41%	82%	42%	12%	-16%	-37%	-37%	-3%	18%	35%	70%	70%	33%	-6%	-16%	-3%	-3%	17%
Inventories	23%	125%	39%	8%	1%	15%	39%	39%	67%	83%	64%	75%	75%	51%	18%	26%	23%	23%	17%
Accounts Payable	79%	33%	18%	-12%	39%	33%	22%	22%	2%	6%	1%	57%	57%	112%	65%	126%	42%	42%	17%
CASH FLOW STATEMENT	F2018A	F2019A	F2020A	1FQ21A	2FQ21A	3FQ21A	4FQ21A	F2021A	1FQ22A	2FQ22A	3FQ22A	4FQ22E	F2022E	1FQ23E	2FQ23E	3FQ23E	4FQ23E	F2023E	F2024E
Net Income	(5.5)	(6.7)	(15.2)	(8.3)	(1.1)	2.5	21.7	14.7	2.1	8.4	2.8	9.8	23.1	(3.4)	4.1	10.0	24.2	34.8	49.7
Depreciation	2.0	2.9	4.9	1.6	1.5	1.6	1.5	6.1	2.0	1.5	1.6	1.6	6.8	2.0	2.0	2.0	2.0	8.0	8.0
Amortization of Intangible Assets	0.2	0.2	0.3	0.1	0.1	0.3	0.1	0.5	0.5	0.1	0.1	0.1	0.7	0.1	0.1	0.1	0.1	0.2	0.2
Amortization of Deferred Financing Costs	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.1
Changes In Operating Assets & Liabilities	(1.1)	(7.7)	(8.6)	5.1	9.2	(11.5)	7.6	10.5	(18.4)	(6.7)	(23.5)	21.0	(27.7)	1.8	3.0	(16.7)	8.0	(3.9)	(10.5)
Net Cash from Operating Activities	(2.7)	(7.0)	(11.9)	(0.5)	12.6	(5.1)	33.6	40.5	(9.6)	10.4	(15.9)	33.6	18.4	1.3	10.1	(3.7)	35.2	42.8	51.1
Capital Expenditures	(6.6)	(10.7)	(9.5)	(2.1)	(2.8)	(1.8)	(1.7)	(8.4)	(2.9)	(4.2)	(4.2)	(5.0)	(16.4)	(4.0)	(4.0)	(4.0)	(4.0)	(16.0)	(18.0)
Net Cash from Investing Activities	(6.8)	(11.4)	(9.9)	(2.3)	(2.9)	(1.9)	(1.9)	(9.1)	(3.1)	(4.3)	(4.5)	(5.2)	(17.0)	(4.2)	(4.2)	(4.2)	(4.2)	(16.6)	(18.6)
Net Cash from Financing Activities	17.8	58.3	21.3	(0.2)	(0.3)	(0.1)	(1.1)	(1.7)	0.1	(3.3)	(0.2)	0.0	(3.5)	0.0	0.0	0.0	0.0	0.0	0.0
Net Change in Cash	8.3	39.9	(0.5)	(3.1)	9.4	(7.2)	30.7	29.8	(12.6)	2.7	(20.6)	28.5	(2.0)	(2.8)	5.9	(7.9)	31.0	26.2	32.5
FREE CASH FLOW PER SHARE	(\$1.56)	(\$1.69)	(\$1.51)	(\$0.18)	\$0.68	(\$0.44)	\$2.01	\$2.10	(\$0.78)	\$0.38	(\$1.26)	\$1.67	\$0.12	(\$0.18)	\$0.35	(\$0.45)	\$1.79	\$1.54	\$1.88

Source: Company SEC filings and ROTH Capital Partners estimates

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Rating	Count	Percent	IB Serv./Past 12 Mos. as of 03/18/22	
			Count	Percent
Buy [B]	348	82.86	234	67.24
Neutral [N]	45	10.71	24	53.33
Sell [S]	0	0.00	0	0
Under Review [UR]	27	6.43	17	62.96

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