UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

(Amendment No. 2)

☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 30, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-38555

THE LOVESAC COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**32-0514958**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Two Landmark Square, Suite 300 Stamford, Connecticut	**06901**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(888) 636-1223**

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.00001 par value per share	LOVE	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) ☐ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the Registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes☐ No ☐

As of May 31, 2023, there were 15,216,988 shares of common stock, $0.00001 par value per share, outstanding.

EXPLANATORY NOTE

The Lovesac Company ("Lovesac", the "Company", "we", "our" and similar terms) is filing this Amendment No. 2 on Form 10-Q/A ("Amendment No. 2") to amend the Company's Quarterly Form 10-Q for the period ended April 30, 2023 (the "Original 10-Q"), originally filed with the Securities and Exchange Commission ("SEC") on June 9, 2023, as amended by Amendment No. 1 on Form 10-Q/A ("Amendment No. 1") filed on November 2, 2023, solely to include certain footnote disclosures to our unaudited quarterly condensed financial statements as of and for the period ended April 30, 2023 (the "Restated Financial Statements") that were included in the unaudited financial statements in the Original 10-Q, but were inadvertently omitted from the Restated Financial Statements included in Part I, Item 1 of Amendment No. 1. The restatement is further described in Amendment No. 1 and in Note 2. Restatement and Other Corrections of Previously Issued Financial Statements to the Restated Financial Statements in Part I. Item 1 contained herein.

In accordance with applicable SEC rules, this Amendment No. 2 includes new certifications specified in Rule 13a-14 under the Exchange Act from our Chief Executive Officer and Chief Financial Officer dated as of the date of this filing.

Except as described above, no other amendments are being made to the Original 10-Q, as amended by Amendment No. 1. This Amendment No. 2 does not reflect events occurring after the filing of the Original 10-Q, as amended by Amendment No. 1, or modify or update the disclosure contained therein in any way other than as required to reflect the amendments discussed above.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

THE LOVESAC COMPANY

CONDENSED BALANCE SHEETS

(amounts in thousands, except share and per share amounts)	April 30, 2023 (As Restated)	January 29, 2023 (As Restated)
	(unaudited)	
Assets		
Current Assets		
Cash and cash equivalents	$ 45,125	$ 43,533
Trade accounts receivable	18,447	9,103
Merchandise inventories, net	104,458	119,627
Prepaid expenses and other current assets	13,432	15,452
Total Current Assets	181,462	187,715
Property and equipment, net	59,219	52,904
Operating lease right-of-use assets	143,609	135,411
Other Assets		
Goodwill	144	144
Intangible assets, net	1,445	1,411
Deferred tax asset	9,959	8,677
Other assets	25,371	22,364
Total Other Assets	36,919	32,596
Total Assets	$ 421,209	$ 408,626
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 30,097	$ 24,576
Accrued expenses	16,265	25,417
Payroll payable	6,582	6,783
Customer deposits	15,372	6,760
Current operating lease liabilities	16,933	13,075
Sales taxes payable	3,878	5,430
Total Current Liabilities	89,127	82,041
Operating Lease Liabilities, long-term	142,826	133,491
Line of Credit	—	—
Total Liabilities	231,953	215,532
Commitments and Contingencies (see Note 7)		
Stockholders' Equity		
Preferred Stock $0.00001 par value, 10,000,000 shares authorized, no shares issued or outstanding as of April 30, 2023 and January 29, 2023.	—	—
Common Stock $.00001 par value, 40,000,000 shares authorized, 15,217,120 shares issued and outstanding as of April 30, 2023 and 15,195,698 shares issued and outstanding as of January 29, 2023.	—	—
Additional paid-in capital	182,831	182,554
Accumulated earnings	6,425	10,540
Stockholders' Equity	189,256	193,094
Total Liabilities and Stockholders' Equity	$ 421,209	$ 408,626

The accompanying notes are an integral part of these condensed financial statements.

THE LOVESAC COMPANY

CONDENSED STATEMENTS OF OPERATIONS
(unaudited)

	Thirteen weeks ended	
(amounts in thousands, except per share data and share amounts)	April 30, 2023	May 1, 2022
	(As Restated)	(As Restated)
Net sales	$ 141,193	$ 129,380
Cost of merchandise sold	70,618	63,406
Gross profit	70,575	65,974
Operating expenses		
Selling, general and administration expenses	56,546	44,918
Advertising and marketing	16,913	15,901
Depreciation and amortization	2,822	2,661
Total operating expenses	76,281	63,480
Operating (loss) income	(5,706)	2,494
Interest income (expense), net	341	(35)
Net (loss) income before taxes	(5,365)	2,459
Benefit from (provision for) income taxes	1,250	(673)
Net (loss) income	$ (4,115)	$ 1,786
Net (loss) income per common share:		
Basic	$ (0.27)	$ 0.12
Diluted	$ (0.27)	$ 0.11
Weighted average number of common shares outstanding:		
Basic	15,230,763	15,155,378
Diluted	15,230,763	16,173,339

The accompanying notes are an integral part of these condensed financial statements.

THE LOVESAC COMPANY
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THIRTEEN WEEKS ENDED APRIL 30, 2023 AND MAY 1, 2022
(unaudited)

(amounts in thousands, except share amounts)	Common Shares	Common Amount	Additional Paid-in Capital	Accumulated (Deficit) Earnings	Total Shareholders' Equity
Balance - January 30, 2022 (As Restated)	15,123,338	$ —	$ 173,762	$ (15,948)	$ 157,814
Net income (As restated)	—	—	—	1,786	1,786
Equity based compensation	—	—	1,163	—	1,163
Issuance of common stock for restricted stock	1,704	—	—	—	—
Taxes paid for net share settlement of equity awards	—	—	(47)	—	(47)
Balance - May 1, 2022 (As Restated)	15,125,042	$ —	$ 174,878	$ (14,162)	$ 160,716
Balance - January 29, 2023 (As Restated)	15,195,698	$ —	$ 182,554	$ 10,540	$ 193,094
Net loss (As restated)	—	—	—	(4,115)	(4,115)
Equity based compensation	—	—	747	—	747
Issuance of common stock for restricted stock	21,422	—	—	—	—
Taxes paid for net share settlement of equity awards	—	—	(470)	—	(470)
Balance - April 30, 2023 (As Restated)	15,217,120	$ —	$ 182,831	$ 6,425	$ 189,256

The accompanying notes are an integral part of these condensed financial statements.

THE LOVESAC COMPANY

CONDENSED STATEMENT OF CASH FLOWS
(unaudited)

(amounts in thousands)	Thirteen weeks ended April 30, 2023 (As Restated)	Thirteen weeks ended May 1, 2022 (As Restated)
Cash Flows from Operating Activities		
Net (loss) income	$ (4,115)	$ 1,786
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization of property and equipment	2,697	2,575
Amortization of other intangible assets	125	86
Amortization of deferred financing fees	42	29
Equity based compensation	747	1,163
Non-cash operating lease cost	5,315	4,184
Deferred income taxes	(1,282)	492
Changes in operating assets and liabilities:		
Trade accounts receivable	(9,344)	2,134
Merchandise inventories	15,169	(14,515)
Prepaid expenses and other current assets	4,221	813
Other assets	(3,007)	(26)
Accounts payable and accrued expenses	(10,378)	(11,768)
Operating lease liabilities	(2,511)	(4,571)
Customer deposits	8,612	(5,709)
Net Cash Provided by (Used in) Operating Activities	6,291	(23,327)
Cash Flows from Investing Activities		
Purchase of property and equipment	(4,177)	(4,450)
Payments for patents and trademarks	—	(27)
Net Cash Used in Investing Activities	(4,177)	(4,477)
Cash Flows from Financing Activities		
Payment of deferred financing costs	(52)	(161)
Taxes paid for net share settlement of equity awards	(470)	(47)
Net Cash Used in Financing Activities	(522)	(208)
Net Change in Cash and Cash Equivalents	1,592	(28,012)
Cash and Cash Equivalents - Beginning	43,533	92,392
Cash and Cash Equivalents - Ending	$ 45,125	$ 64,380
Supplemental Cash Flow Disclosures		
Cash paid for taxes	$ —	$ 905
Cash paid for interest	$ 30	$ 33
Non-cash investing activities:		
Asset acquisitions not yet paid for at period end	$ 4,994	$ 1,541

The accompanying notes are an integral part of these condensed financial statements.

THE LOVESAC COMPANY

CONDENSED NOTES TO FINANCIAL STATEMENTS

FOR THE THIRTEEN WEEKS ENDED APRIL 30, 2023 AND MAY 1, 2022

Note 1. Basis of Presentation and Summary of Significant Accounting Policies

The balance sheet of The Lovesac Company (the “Company”, “we”, “us” or “our”) as of January 29, 2023, which has been derived from our audited financial statements as of and for the 52-week year ended January 29, 2023, and the accompanying interim unaudited condensed financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim financial reporting. Certain information and note disclosures normally included in annual financial statements, prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), have been condensed or omitted pursuant to those rules and regulations. The financial information presented herein, which is not necessarily indicative of results to be expected for the full current fiscal year, reflects all adjustments which, in the opinion of management, are necessary for a fair presentation of the interim unaudited condensed financial statements. Such adjustments are of a normal, recurring nature. These condensed financial statements should be read in conjunction with the Company’s financial statements filed in its Annual Report on Form 10-K/A for the fiscal year ended January 29, 2023.

Due to the seasonality of the Company’s business, with the majority of our activity occurring in the fourth quarter of each fiscal year, the results of operations for the thirteen weeks ended April 30, 2023 and May 1, 2022 are not necessarily indicative of results to be expected for the full fiscal year.

Nature of Operations

We are a technology driven company that designs, manufactures and sells unique, high quality furniture derived through its proprietary "Designed for Life" approach which results in products that are built to last a lifetime and designed to evolve as our customers’ lives do. The Company markets and sells its products through modern and efficient showrooms and, increasingly, through online net sales directly at www.lovesac.com, supported by direct-to-consumer touch-feel points in the form of our own showrooms, which include our newly created mobile concierge and kiosks, as well as through shop-in-shops and online pop-up-shops with third party retailers. As of April 30, 2023, the Company operated 211 showrooms including kiosks and mobile concierges located throughout the United States. The Company was formed as a Delaware corporation on January 3, 2017, in connection with a corporate reorganization with SAC Acquisition LLC, a Delaware limited liability company, the predecessor entity to the Company.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The Company evaluates its estimates and judgements on an ongoing basis based on historical experience, expectations of future events and various other factors we believe to be reasonable under the circumstances and revise them when necessary in the period the change is determined. Actual results may differ from the original or revised estimates.

Recent Accounting Pronouncements

The Company has considered all recent accounting pronouncements issued by the Financial Accounting Standards Board and they were considered to be not applicable or the adoption of such pronouncements will not have a material impact on the financial statements.

Employee Benefit Plan

In February 2017, the Company established The Lovesac Company 401(k) Plan (the "401(k) Plan") with Elective Deferrals beginning May 1, 2017. The 401(k) Plan calls for Elective Deferral Contributions, Safe Harbor Matching Contributions and Profit-Sharing Contributions. All associates of the Company will be eligible to participate in the 401(k) Plan as of the day of the month which is coincident with or next follows the date on which they attain age 21 and complete one month of service. Participants will be able to contribute up to 100% of their eligible compensation to the 401(k) Plan subject to limitations with the IRS.The Company's contributions to the 401(k) Plan were $0.5 million and $0.4 million for the thirteen weeks ended April 30, 2023 and May 1, 2022, respectively.

Note 2. Restatement and Other Corrections of Previously Issued Condensed Financial Statements

The Audit Committee of the Board of Directors of Lovesac completed an independent investigation in August 2023 whereby the Company concluded $2.2 million of last mile shipping expenses relating to the fiscal year ended January 29, 2023 were improperly capitalized during the quarter ended April 30, 2023. Through this investigation, the Company also determined that the methodology used to estimate an accrual of last mile freight expenses at each period end was not accurate because the calculation did not use the correct number of shipments that were accepted by the shipper for delivery, but not yet invoiced to the Company. Management prepared a quantitative and qualitative analysis of these errors, along with certain other immaterial accounting errors, in accordance with the U.S. SEC Staff's Accounting Bulletin Nos. 99 and 108, Materiality, and concluded the aggregate impact of all the errors are material to the Company's previously reported interim, year-to-date, and annual financial statements as of and for the year ended January 29, 2023 and the Company's previously reported interim financial statements as of and for the three-month period ended April 30, 2023. As a result, the accompanying financial statements as of April 30, 2023, and for the three months ended April 30, 2023 and May 1, 2022, and related notes hereto, have been restated to correct these errors.

A summary of the impacts of the adjustments on the previously reported financial statements are included below:

	For the Thirteen Weeks Ended			
	April 30, 2023		May 1, 2022	
(in thousands)	As Previously Reported	As Restated	As Previously Reported	As Restated
Net sales	$ 141,193	$ 141,193	$ 129,380	$ 129,380
Gross profit	70,704	70,575	66,108	65,974
Operating (loss) income	(5,869)	(5,706)	2,645	2,494
Net (loss) income	$ (4,230)	$ (4,115)	$ 1,895	$ 1,786

	As of			
	April 30, 2023		January 29, 2023	
(in thousands)	As Previously Reported	As Restated	As Previously Reported	As Restated
Total current assets	$ 187,697	$ 181,462	$ 194,041	$ 187,715
Total non-current assets	240,339	239,747	224,013	220,911
Total assets	$ 428,036	$ 421,209	$ 418,054	$ 408,626
Total current liabilities	96,922	89,127	88,839	82,041
Total non-current liabilities	141,868	142,826	135,955	133,491
Total liabilities	238,790	231,953	224,794	215,532
Total equity	189,246	189,256	193,260	193,094

A description of the errors and their impacts on the previously issued financial statements are included below.

Description of Misstatement Adjustments

(a) Last Mile Freight

The Company recorded adjustments to correct misstatements identified from the internal investigation related to last mile freight expenses. The result of the investigation concluded an inappropriately recorded journal entry increased inventory by $2.2 million related to shipping expense pertaining to fiscal 2023, and also concluded the methodology used to estimate last mile freight accrual was incorrect. The correction of these items represent the net impact of the findings from the investigation as noted above.

(b) Leases

The Company recorded adjustments to correct certain misstatements related to its operating leases. In the fiscal year 2022, the Company recorded an incorrect entry that resulted in the double-counting of rent expense associated with operating leases, with a corresponding impact on prepaid rent and lease liabilities as of January 30, 2022. In addition, the Company reversed the out of period correction of an incorrect entry pertaining to incremental borrowing rate that had been corrected for in the Annual Report on Form 10-K/A for the fiscal year ended January 29, 2023. This entry had an impact on prepaid rent, right-of-use assets, and the current and long-term portion of operating lease liabilities, as of and during the fiscal year ended January 29, 2023. The Company also recorded the effects of an embedded lease entered into during the quarter that was previously identified and considered immaterial.

(c) Buyer’s Remorse

The Company recorded an adjustment to correct certain canceled sales orders related to buyer’s remorse, which related to fiscal 2023 and was incorrectly reflected as an increase to Selling, General and Administrative Expense for the thirteen weeks ended April 30, 2023. The Company defines buyer's remorse as a customer who cancels an order within a short window of time after making a purchase.

(d) Supplier Rebates

During the quarter ended July 31, 2022, the Company received rebates from certain of its suppliers which was incorrectly recorded to cost of goods sold for the entire amount of the rebate received instead of deferring a portion of the rebate to inventory and recognizing the rebate in cost of goods sold as the related inventory was sold. We corrected these misstatements to defer the up-front consideration from suppliers when the retention or receipt of that consideration was to recognize the consideration as a reduction of cost of goods sold over the sell through rate of the inventory.

(e) Balance Sheet Reclassifications

The Company recorded adjustments to correct the classification of certain balance sheet reclassifications between short and long-term assets. These adjustments primarily related to the classification of prepaid expenses and other current assets and the classification of other assets (long-term). In addition, the Company recorded adjustments to correct the classification of tenant improvement allowances which resulted in a reclassification between prepaid expenses and other current assets and short-term lease liabilities.

(f) Income Taxes

The Company recorded adjustments to recognize the net impact on current and deferred income taxes associated with all the misstatements described herein. The adjustments to income taxes were recorded in the period corresponding with the respective misstatements. The correction of this error resulted in a decrease in benefit from income taxes for less than $0.1 million for the period ended April 30, 2023.

(g) Inventory and Cost of Goods Sold

The Company recorded adjustments to correct for a misstatement of an accrual related to a duplicate recording of a vendor invoice for freight charges. The Company recorded another adjustment to correct for the misstatement of inventory related to partial returned goods.

(h) Equity Based Compensation Expense

The Company recorded an adjustment to recognize equity based compensation expense in the period ended April 30, 2023 related to a one-time performance and retention long-term incentive award granted to our Chief Executive Officer in March 2023.

Description of Restatement Tables

Below, we have presented a reconciliation from the as previously reported to the restated values for our condensed financial statements for the quarterly period ended April 30, 2023. The values as previously reported were derived from our Quarterly Report on Form 10-Q for the quarterly period ended April 30, 2023 filed on June 9, 2023.

THE LOVESAC COMPANY
CONDENSED BALANCE SHEET
(unaudited)

	April 30, 2023			
	As Previously Reported	**Corrections**	**Reference**	**As Restated**
Assets				
Current Assets				
Merchandise inventories, net	106,819	(2,361)	(a)(g)	104,458
Prepaid expenses and other current assets	17,306	(3,874)	(a)(b)(e)(f)	13,432
Total Current Assets	187,697	(6,235)		181,462
Operating lease right-of-use assets	142,463	1,146	(b)	143,609
Other Assets				
Deferred tax asset	10,750	(791)	(f)	9,959
Other assets	26,318	(947)	(e)	25,371
Total Other Assets	38,657	(1,738)		36,919
Total Assets	$ 428,036	$ (6,827)		$ 421,209
Liabilities and Stockholders' Equity				
Current Liabilities				
Accounts payable	$ 32,165	$ (2,068)	(b)	$ 30,097
Accrued expenses	16,765	(500)	(a)(f)	16,265
Current operating lease liabilities	22,160	(5,227)	(b)(e)	16,933
Total Current Liabilities	96,922	(7,795)		89,127
Operating Lease Liability, long-term	141,868	958	(b)	142,826
Total Liabilities	238,790	(6,837)		231,953
Stockholders' Equity				
Additional paid-in capital	182,770	61	(h)	182,831
Accumulated earnings (deficit)	6,476	(51)	(a)(b)(f)(g)(h)	6,425
Stockholders' Equity	189,246	10		189,256
Total Liabilities and Stockholders' Equity	$ 428,036	$ (6,827)		$ 421,209

The description of each error is described above. The impact of each error for the corresponding period in the above table is described below:

(a) Last Mile Freight - The correction of these misstatements resulted in a decrease to merchandise inventories, net of $2.2 million, an increase to prepaid expenses and other current assets of $0.6 million, a decrease to accrued expenses of less than $0.1 million, and a decrease to accumulated earnings of $1.6 million at April 30, 2023.

(b) Leases - The correction of these misstatements resulted in an increase to prepaid expenses and other current assets of less than $0.1 million, an increase to operating lease right-of-use assets of $1.1 million, a decrease to accounts payable of

$2.1 million, an increase to current operating lease liabilities of $0.2 million, an increase to operating lease liability, long-term of $1.0 million, and an increase to accumulated earnings of $2.1 million at April 30, 2023.

(e) Balance Sheet Reclassifications - The correction of these misstatements resulted in a decrease to prepaid expenses and other current assets of $4.5 million, a decrease to current operating lease liabilities of $5.5 million and a decrease to other assets of $1.0 million at April 30, 2023.

(f) Income Taxes - The tax impact of all misstatements resulted in a decrease to prepaid expenses and other current assets of less than $0.1 million, a decrease to deferred tax asset of $0.8 million, a decrease to accrued expenses of $0.5 million, and a decrease to accumulated earnings of $0.3 million at April 30, 2023.

(g) Inventory and Cost of Goods Sold - The correction of these misstatements resulted in a decrease to merchandise inventories, net of $0.1 million and a decrease to accumulated earnings of $0.1 million at April 30, 2023.

(h) Equity Based Compensation Expense - The correction of these misstatements resulted in an increase to additional paid-in capital of $0.1 million and decrease in accumulated earnings of $0.1 million at April 30, 2023.

THE LOVESAC COMPANY
CONDENSED STATEMENT OF OPERATIONS
(unaudited)

	For the Thirteen Weeks Ended April 30, 2023			
	As Previously Reported	Corrections	Reference	As Restated
Cost of merchandise sold	70,489	129	(a)(g)	70,618
Gross profit	70,704	(129)		70,575
Operating expenses				
Selling, general and administration expenses	56,838	(292)	(b)(c)(h)	56,546
Total operating expenses	76,573	(292)		76,281
Operating (loss) income	(5,869)	163		(5,706)
Net (loss) income before taxes	(5,528)	163		(5,365)
Benefit from (provision for) income taxes	1,298	(48)	(f)	1,250
Net (loss) income	$ (4,230)	$ 115		$ (4,115)
Net (loss) income per common share:				
Basic	$ (0.28)	$ 0.01		$ (0.27)
Diluted	$ (0.28)	$ 0.01		$ (0.27)

The description of each error is described above. The impact of each error for the corresponding period in the above table is described below:

(a) Last Mile Freight - The correction of these misstatements resulted in an increase to cost of merchandise sold of $0.3 million for the thirteen weeks ended April 30, 2023.

(b) Leases - The correction of these misstatements resulted in an increase to selling, general and administrative expenses of less than $0.1 million for the thirteen weeks ended April 30, 2023.

(c) Buyer's Remorse - The correction of these misstatements resulted in a decrease to selling, general and administrative expenses of $0.4 million for the thirteen weeks ended April 30, 2023.

(f) Income Taxes - The tax impact of all misstatements resulted in a decrease to benefit from income taxes of less than $0.1 million for the thirteen weeks ended April 30, 2023.

(g) Inventory and Cost of Goods Sold - The correction of these misstatements resulted in a decrease to cost of merchandise sold of $0.2 million for the thirteen weeks ended April 30, 2023.

(h) Equity Based Compensation Expense - The correction of these misstatements resulted in an increase to selling, general and administrative expenses of $0.1 million for the thirteen weeks ended April 30, 2023.

THE LOVESAC COMPANY
CONDENSED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THIRTEEN WEEKS ENDED APRIL 30, 2023
(unaudited)

(amounts in thousands, except share amounts)	Restatement Reference	Common Shares	Common Amount	Additional paid-in capital	Accumulated earnings (deficit)	Total Shareholders' Equity
As Previously Reported						
Balance - January 29, 2023		15,195,698	$ —	$ 182,554	$ 10,706	$ 193,260
Net loss		—	—	—	(4,230)	(4,230)
Equity-based compensation		—	—	686	—	686
Balance - April 30, 2023		15,217,120	$ —	$ 182,770	$ 6,476	$ 189,246
Restatement Impacts						
Balance - January 29, 2023	(a)(b)(c)(f)(g)	—	$ —	$ —	$ (166)	$ (166)
Net income	(a)(b)(c)(f)(g)(h)	—	—	—	115	115
Equity-based compensation	(h)	—	—	61	—	61
Balance - April 30, 2023		—	$ —	$ 61	$ (51)	$ 10
As Restated						
Balance - January 29, 2023		15,195,698	$ —	$ 182,554	$ 10,540	$ 193,094
Net loss		—	—	—	(4,115)	(4,115)
Equity-based compensation		—	—	747	—	747
Balance - April 30, 2023		15,217,120	$ —	$ 182,831	$ 6,425	$ 189,256

See descriptions of the net (loss) income impacts in the statement of operations for the thirteen weeks ended April 30, 2023 section above.

THE LOVESAC COMPANY

CONDENSED STATEMENT OF CASH FLOWS

(unaudited)

	For the Thirteen Weeks Ended April 30, 2023			
	As Previously Reported	**Corrections**	**Reference**	**As Restated**
Cash Flows from Operating Activities				
Net (loss) income	$ (4,230)	$ 115	(a)(b)(c)(f)(g)(h)	$ (4,115)
Adjustments to reconcile net (loss) income to cash provided by operating activities:				
Equity based compensation	686	61	(h)	747
Non-cash operating lease cost	5,308	7	(b)	5,315
Deferred income taxes	(1,330)	48	(f)	(1,282)
Change in operating assets and liabilities:				
Trade accounts receivable	(8,978)	(366)	(c)	(9,344)
Merchandise inventories	13,143	2,026	(a)(g)	15,169
Prepaid expenses and other current assets	5,971	(1,750)	(a)(b)(e)(f)	4,221
Other assets	(4,455)	1,448	(e)	(3,007)
Accounts payable and accrued expenses	(5,785)	(4,593)	(a)(b)(f)	(10,378)
Operating lease liabilities	(5,515)	3,004	(b)(e)	(2,511)
Net cash provided by operating activities	6,291	—		6,291
Cash Flows from Investing Activities				
Net cash used in investing activities	(4,177)	—		(4,177)
Cash Flows from Financing Activities				
Net cash used in financing activities	(522)	—		(522)
Net change in cash and cash equivalents	1,592	—		1,592
Cash and cash equivalents - Beginning	43,533			43,533
Cash and cash equivalents - Ending	$ 45,125	$ —		$ 45,125

See descriptions of the net (loss) income impacts in the statement of operations for the thirteen weeks ended April 30, 2023 section above.

No other misstatements impacted the classifications between net operating, net investing, or net financing cash flow activities for the thirteen weeks ended April 30, 2023.

Note 3. Revenue Recognition

The Company's revenue consists substantially of product net sales. The Company reports product net sales net of discounts and recognizes them at the point in time when control transfers to the customer, which generally occurs upon our delivery to a third-party carrier.

Shipping and handling charges billed to customers are included in revenue. The Company recognizes shipping and handling expense as fulfillment activities (rather than a promised good or service) when the activities are performed. Accordingly, the Company records the expenses for shipping and handling activities at the same time the Company recognizes revenue. Shipping and handling costs incurred are included in cost of merchandise sold and include inbound freight and tariff costs relative to inventory sold, warehousing, and last mile shipping to our customers. During the thirteen weeks ended April 30, 2023 and May 1, 2022, shipping and handling costs were $37.9 million and $35.0 million, respectively.

Estimated refunds for returns and allowances are recorded using our historical return patterns, adjusting for any changes in returns policies. The Company records estimated refunds for net sales returns on a monthly basis as a reduction of net sales and cost of sales on the condensed statements of operations and an increase in inventory and customers returns liability on the condensed balance sheets. There was a returns allowance recorded on the condensed balance sheet in the amount of $2.1 million as of April 30, 2023 and $4.5 million as of January 29, 2023, which was included in accrued expenses and

$0.5 million as of April 30, 2023 and $1.0 million as of January 29, 2023, associated with sales returns included in merchandise inventories.

In some cases, deposits are received before the Company transfers control, resulting in contract liabilities. These contract liabilities are reported as customer deposits on the Company's condensed balance sheet. As of April 30, 2023 and January 29, 2023, the Company recorded under customer deposit liabilities the amount of $15.4 million and $6.8 million respectively. During the thirteen weeks ended April 30, 2023 and May 1, 2022, the Company recognized approximately $6.8 million and $13.3 million, respectively, related to our customer deposits.

The Company offers its products through an inventory lean omni-channel platform that provides a seamless and meaningful experience to its customers in showrooms, which includes mobile concierge and kiosks, and through the internet. The Other channel predominantly represents net sales through the use of online pop-up-shops and shop-in-shops that are staffed with associates trained to demonstrate and sell our product. The following represents net sales disaggregated by channel:

	Thirteen weeks ended	
(amounts in thousands)	April 30, 2023	May 1, 2022
Showrooms	$ 83,574	$ 81,254
Internet	40,225	31,255
Other	17,394	16,871
	$ 141,193	$ 129,380

The Company has no foreign operations and its net sales to foreign countries was less than.01% of total net sales in both fiscal 2024 and 2023. The Company had no customers that comprise more than 10% of total net sales for the thirteen weeks ended April 30, 2023 and May 1, 2022.

See **Note 10** for sales disaggregated by product.

Barter Arrangements

The Company has a bartering arrangement with a third-party vendor. The Company repurposes returned open-box inventory in exchange for media credits, which are being used to support our advertising initiatives to create brand awareness and drive net sales growth. Barter transactions with commercial substance are recorded at a transaction price based on the estimated fair value of the non-cash consideration of the media credits to be received and the revenue is recognized when control of inventory is transferred, which is when the inventory is picked up in our warehouse. Fair value is estimated using various considerations, including the cost of similar media advertising if transacted directly, the expected sales price of product given up in exchange for the media credits, and the expected usage of media credits prior to expiration based on a marketing spend forecast. The Company recognizes an asset for media credits which is subsequently evaluated for impairment at each reporting period for any changes in circumstances. As the barter credits are expected to be utilized at various dates through their expiration dates, the Company will classify the amount expected to be utilized in the next fiscal year as current, which is included in Prepaid and Other Current Assets, with the remaining balance included as part of Other Assets on the balance sheet.

During the thirteen weeks ended April 30, 2023 and May 1, 2022, the Company recognized $4.1 million and $2.6 million, respectively, of barter sales in exchange for media credits. The Company had $28.5 million and $25.2 million of unused media credits as of April 30, 2023 and January 29, 2023, respectively, and did not recognize any impairment. The difference between the opening and closing balances of the Company's prepaid barter credit primarily results from the inventory exchanged for media credits during the period, offset by utilization of those credits.

Note 4. Income Taxes

The Company recorded an income tax benefit of $1.3 million and income tax expense of $0.7 million for the thirteen weeks ended April 30, 2023 and May 1, 2022, respectively. The effective tax rate was 23.3% for the thirteen weeks ended April 30, 2023 as compared to 27.4% for the thirteen weeks ended May 1, 2022. The effective tax rate for the thirteen weeks ended April 30, 2023 and May 1, 2022 varies from the 21% federal statutory tax rate primarily due to state taxes.

The Company does not anticipate any material adjustments relating to unrecognized tax benefits within the next twelve months; however, the ultimate outcome of tax matters is uncertain and unforeseen results can occur. The Company had no material interest or penalties during the thirteen weeks ended April 30, 2023 and May 1, 2022, respectively, and does not anticipate any such items during the next twelve months. The Company's policy is to record interest and penalties directly related to uncertain tax positions as income tax expense in the condensed statements of operations.

Note 5. Basic and Diluted Net (Loss) Income Per Common Share

Basic net (loss) income per common share is computed by dividing net (loss) income by the weighted average number of common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number of common shares outstanding and common stock equivalents outstanding during the period. Diluted net income per common share includes, in periods in which they are dilutive, the effect of those potentially dilutive securities where the average market price of the common stock exceeds the exercise prices for the respective periods. In periods of loss, there are no potentially dilutive common shares to add to the weighted average number of common shares outstanding.

For the thirteen weeks ended April 30, 2023, the effects of 1,283,449 shares of common stock related to restricted stock units, 495,366 shares of common stock underlying stock options, and warrants to purchase 281,750 shares of common stock were excluded from the diluted net loss per share calculation because the effect of including these potentially dilutive shares was antidilutive.

For the thirteen weeks ended May 1, 2022, the effects of 767,023 shares of common stock related to restricted stock units, 495,366 shares of common stock underlying stock options, and warrants to purchase 281,750 shares of common stock were included in the diluted share calculation.

Note 6. Leases

Components of lease expense were as follows (in thousands):

	Thirteen weeks ended	
	April 30, 2023	May 01, 2022
Operating lease expense	$ 7,004	$ 5,334
Variable lease expense	2,056	2,214
Short term lease expense	240	179
Total lease expense	$ 9,300	$ 7,727

Variable lease expense includes index-based changes in rent, maintenance, real estate taxes, insurance and other variable charges.

The Company’s weighted average lease terms and weighted average discount rates are as follows:

	Thirteen weeks ended	
	April 30, 2023	May 01, 2022
	(As Restated)	
Weighted average remaining lease term (in years)		
Operating Leases	7.5	7.2
Weighted average discount rate		
Operating Leases	4.43 %	3.97 %

We did not recognize any impairment charges associated with showroom-level right-of-use assets during the thirteen weeks ended April 30, 2023 or May 1, 2022.

Future minimum lease payments under non-cancelable leases as of April 30, 2023 were as follows (in thousands):

(amounts in thousands)	(As Restated)
2024	$ 16,445
2025	28,909
2026	26,501
2027	24,170
2028	21,869
Thereafter	73,477
Total undiscounted future minimum lease payments	191,371
Less: imputed interest	(31,612)
Total present value of lease obligations	159,759
Less: current operating lease liability	(16,933)
Operating lease liability- long term	$ 142,826

Supplemental Cash Flow information and non-cash activity related to our operating leases is as follows (in thousands):

(amounts in thousands)	Thirteen weeks ended April 30, 2023 (As Restated)	Thirteen weeks ended May 01, 2022
Operating cash flow information:		
Amounts paid on operating lease liabilities	$ 6,945	$ 4,062
Non-cash activities		
Right-of-use assets obtained in exchange for lease obligations	$ 16,118	$ 12,513

Note 7. Commitments and Contingencies

Legal Proceedings

The Company is involved in various legal proceedings in the ordinary course of business. Management cannot presently predict the outcome of these matters, although management believes, based in part on the advice of counsel, that the ultimate resolution of these matters will not have a materially adverse effect on the Company's condensed financial position, results of operations or cash flows.

The Company has voluntarily self-reported to the SEC information concerning the internal investigation of the accounting matters described in the Explanatory Note and in **Note 2. Restatement and Other Corrections of Previously Issued Condensed Financial Statements** As a result of self-reporting, the Company is the subject of an ongoing, non-public investigation by the SEC. The Company is cooperating fully with the SEC in its investigation and continues to respond to requests in connection with this matter. The investigation could result in the SEC seeking various penalties and relief including, without limitation, civil injunctive relief and/or civil monetary penalties or administrative relief. The nature of the relief or remedies the SEC may seek with respect to the Company, if any, cannot be predicted at this time.

Note 8. Financing Arrangements

The Company has a line of credit with Wells Fargo Bank, National Association ("Wells"). On March 25, 2022, the line of credit with Wells was amended and increased from $25 million to allow the Company to borrow up to $40.0 million, subject to borrowing base and availability restrictions, and will mature in March 2024. Borrowings are limited to 90% of eligible credit card receivables plus 85% of eligible wholesale receivables plus 85% of the net recovery percentage for the eligible inventory multiplied by the value of such eligible inventory of the Company for the period from December 16 of each year until October 14 of the immediately following year, with a seasonal increase to 90% of the net recovery percentage for the period from October 15 of each year until December 15 of such year, seasonal advance rate, minus applicable reserves established by Wells. The amended agreement contains a financial covenant that requires us to maintain undrawn availability under the credit facility of at least 10% of the lesser of (i) the aggregate commitments in the amount of $40.0 million and (ii) the amounts available under the credit facility based on eligible accounts receivable and inventory.

On March 24, 2023, the Company amended the credit agreement to extend the maturity date to September 2024. All other terms of the credit agreement remain unchanged. As of April 30, 2023 and January 29, 2023, the Company's borrowing availability under the line of credit with Wells was $ 36.0 million. As of April 30, 2023 and January 29, 2023, there were no borrowings outstanding on this line of credit.

Note 9. Stockholders' Equity

Common Stock Warrants

On June 29, 2018, the Company issued 281,750 warrants with a five-year term to Roth Capital Partners, LLC as part of the underwriting agreement in connection with the Company's IPO. The warrants remain outstanding as of April 30, 2023. Warrants may be exercised on a cashless basis, where the holders receive fewer shares of common stock in lieu of a cash payment to the Company. There were no warrants issued, exercised, or expired and canceled for the thirteen weeks ended April 30, 2023 and May 1, 2022. As of April 30, 2023, 281,750 warrants remain outstanding with an average exercise price of $19.20 and a weighted average remaining contractual life of 0.16 years. As of May 1, 2022, 281,750 warrants remain outstanding with an average exercise price of $19.20 and a weighted average remaining contractual life of 1.16 years.

Equity Incentive Plan

The Company adopted the Amended and Restated 2017 Equity Incentive Plan (the "2017 Equity Plan") which provides for awards in the form of stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards. All awards shall be granted within 10 years from the effective date of the 2017 Equity Plan. In fiscal 2024, the 2017 Equity Plan was amended and restated to increase the shares of our common stock authorized and reserved for issuance by 225,000 shares, which increased the number of shares of common stock reserved for issuance under the 2017 Equity Plan to 2,879,889 shares of common stock as of April 30, 2023.

Stock Options

In June 2019, the Company granted 495,366 non-statutory stock options to certain officers of the Company with an option price of $38.10 per share. 100% of the stock options are subject to vesting on the third anniversary of the date of grant if the officers are still employed by the Company and the average closing price of the Company's common stock for the prior 40 consecutive trading days has been at least $75 by the third anniversary of the grant. Both the employment and the market condition must be satisfied no later than June 5, 2024 or the options will terminate. These options were valued using a Monte Carlo simulation model to account for the path dependent market conditions that stipulate when and whether or not the options shall vest. The 495,366 stock options were modified in fiscal 2022 to extend the term of the options through June 5, 2024. This resulted in additional compensation of approximately $0.9 million of which, $0.3 million was recorded upon modification with the remaining expense to be recognized over the remaining expected term. The market condition was met on June 5, 2021, which was the date on which the average closing price of the Company's common stock had been at least $75 for 40 consecutive trading days. The options vested and became exercisable on June 5, 2022 as the officers were still employed on that date.

There were no stock options issued, exercised, or expired and canceled for the thirteen weeks ended April 30, 2023 and May 1, 2022. As of April 30, 2023, 495,366 stock options remain outstanding with a weighted average exercise price of $38.10, a weighted average remaining contractual life of 1.10 years, and no intrinsic value. As of May 1, 2022, 495,366 stock options remain outstanding with a weighted average exercise price of $38.10, a weighted average remaining contractual life of 2.1 years and intrinsic value of $8.05.

Restricted Stock Units

A summary of the status of our unvested restricted stock units as of April 30, 2023 and May 1, 2022, and changes during the thirteen weeks then ended, is presented below:

	Number of shares	Weighted average grant date fair value
Unvested at January 29, 2023	640,256	$ 34.50
Granted	693,989	26.97
Forfeited	(12,888)	35.17
Vested	(37,908)	46.22
Unvested at April 30, 2023	1,283,449	$ 30.07

	Number of shares	Weighted average grant date fair value
Unvested at January 30, 2022	533,333	$ 28.41
Granted	256,329	46.11
Forfeited	(20,159)	22.88
Vested	(2,480)	16.57
Unvested at May 1, 2022	767,023	$ 34.31

Equity based compensation expense was approximately $0.7 million and $1.2 million for the thirteen weeks ended April 30, 2023 and May 1, 2022, respectively.

The total unrecognized equity-based compensation cost related to unvested stock option and restricted unit awards was approximately $11.3 million as of April 30, 2023 and will be recognized in operations over a weighted average period of 4.1 years.

In March 2023, Shawn Nelson, our Chief Executive Officer, received a one-time performance and retention long-term incentive grant of 235,000 Restricted Stock Units (the "RSU Grant") pursuant to the 2017 Equity Plan and Mr. Nelson's Restricted Stock Units Agreement and Grant Notice (the "RSU Agreement"). The RSU Grant vests on the later to occur of (i) the fifth anniversary of the date of grant so long as, (x) on or prior to such date (subject to certain limited extensions), the Company has achieved a specified level of performance with respect to share price and net sales, and (y) Mr. Nelson remains in continuous service with the Company as Chief Executive Officer through such date; or (ii) if the specified level of performance with respect to net sales is not achieved on or prior to the fifth anniversary of the date of grant, but the other conditions in subclause (i) are achieved, the first date that such specified level of performance with respect to net sales is achieved, so long as it is achieved on or prior to the seventh anniversary of the date of grant and so long as Mr. Nelson remains in continuous service with the Company through such date. Except in the event of termination of employment as defined in the 2017 Equity Plan, the RSU Grant will be settled in shares of common stock of the Company on the first anniversary of the applicable vesting date. The RSU grant was valued using a Monte Carlo simulation model to account for the path dependent market conditions that stipulate when and whether or not the options shall vest. The expense will be recognized on a straight-line basis over the longest of the derived, explicit, or implicit service period.

Note 10. Segment Information

Segments are reflective of how the chief operating decision maker ("CODM") reviews operating results for the purpose of allocating resources and assessing performance. The CODM group of the Company are the Chief Executive Officer and the President and Chief Operating Officer. The Company's operating segments are the sales channels, which share similar economic and other qualitative characteristics, and are aggregated together as one reportable segment.

The Company’s sales by product which are considered one segment are as follows:

	Thirteen weeks ended	
(amounts in thousands)	April 30, 2023	May 1, 2022
Sactionals	$ 127,903	$ 115,002
Sacs	10,737	11,927
Other	2,553	2,451
	$ 141,193	$ 129,380

PART II. OTHER INFORMATION

Item 6. Exhibits

Exhibit Number	Description of Exhibit	Filed / Incorporated by Reference from Form **	Incorporated by Reference from Exhibit Number	Dated Filed
10.1+	Amendment No. 1 to The Lovesac Company Second Amended and Restated 2017 Equity Incentive Plan	8-K	10.1	06/02/2023
10.2+	Employment Agreement between the Company and Keith Siegner, dated June 1, 2023	8-K	10.1	06/07/2023
10.3+	Offer Letter between the Company and Keith Siegner, dated May 12, 2023	8-K	10.2	06/07/2023
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended	Filed herewith.		
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as amended	Filed herewith.		
32.1*	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended	Filed herewith.		
32.2*	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended	Filed herewith.		
101.INS	XBRL Instance Document			
101.SCH	Inline XBRL Taxonomy Extension Schema Document			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document			
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)			

+ Indicates a management contract or compensatory plan.

* This certification is deemed not filed for purposes of section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

The Lovesac Company

	By:	/s/ Shawn Nelson
Date: November 30, 2023		Shawn Nelson Chief Executive Officer (Principal Executive Officer)
	By:	/s/ Keith Siegner
Date: November 30, 2023		Keith Siegner Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Shawn Nelson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of The Lovesac Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 30, 2023	Signed:	/s/ Shawn Nelson
	Name:	Shawn Nelson
	Title:	Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Keith Siegner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of The Lovesac Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 30, 2023

Signed: /s/ Keith Siegner
Name: Keith Siegner
Title: Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Shawn Nelson, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q/A of The Lovesac Company for the thirteen weeks ended April 30, 2023, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q/A fairly presents, in all material respects, the financial condition and results of operations of The Lovesac Company.

Date: November 30, 2023	Signed:	/s/ Shawn Nelson
	Name:	Shawn Nelson
	Title:	Chief Executive Officer (Principal Executive Officer)

Exhibit 32.2

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Keith Siegner, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q/A of The Lovesac Company for the thirteen weeks ended April 30, 2023, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q/A fairly presents, in all material respects, the financial condition and results of operations of The Lovesac Company.

Date: November 30, 2023	Signed:	/s/ Keith Siegner
	Name:	Keith Siegner
	Title:	Executive Vice President and Chief Financial Officer (Principal Financial Officer)