



# LOVESAC<sup>®</sup>

Designed for Life<sup>™</sup> Furniture Co.

Investor Presentation  
January 2020

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*“Lovesac **Designed for Life** products are **built to last a lifetime** & **designed to evolve** so that they never go out of style or become obsolete. New technologies & additions are **reverse-compatible**, and even consumable parts are replaceable and **upgradeable**.  
This is **true sustainability**.”*

We intend to become one of the biggest, **the most innovative**, and **the most beloved furniture brands** in the world.



*Changeable*



*Maintainable*



*Moveable*



*Rearrangeable*



*Upgradeable*



*Waste-less*



**Shawn Nelson**  
Founder & CEO  
20+ Years at LOVE

**LOVESAC**



**Jack Krause**  
President & COO  
3+ Years at LOVE



**Donna Dellomo**  
EVP & CFO  
2+ Years at LOVE

**PERFUMANIA**



## Product



- Two key platform innovations per year
- Drive appeal to new & repeat business

## Marketing



- Drive ongoing growth spending 10%-12%
- Test & learn to drive efficiency & volume
- New TV creative

## Omni-channel Distribution



- 17+ new showrooms
- Showroom 2.0, utilizing AR/VR/tech
- New S.I.S. partners
- Lay groundwork for multiple distribution channels - speed

## Technology Platform



- Upgrade CRM to leverage data warehouse
- Re-platform website to improve online & mobile experience
- Leverage warehouse management software for efficiency

## Brand



- Two key collaborations
- Expand influencer & social media reach
- Formalize promotion of our Designed For Life ethos & sustainability aspects

## SACTIONALS<sup>®</sup>

The World's Most Adaptable Couch.™



GEOGRAPHIC PRESENCE  
**84 Branded Showrooms**  
in 32 states in U.S.<sup>2</sup>



CUSTOMER-LIFETIME  
VALUE<sup>3</sup>  
**\$1,540**



COST OF ACQUISITION  
**\$309**



NEW CUSTOMERS  
**65k last year**



REPEAT CUSTOMERS  
**38% of all**  
transactions

## FY 2019 Key Financial Metrics



REVENUE  
**\$166 million**  
(73% of Revenue = Sactionals)



GROSS PROFIT  
**\$91 million**



ADJ. EBITDA<sup>1</sup>  
**\$3.4 million**



REVENUE GROWTH  
**63%**



GROSS MARGIN  
**55%**



BALANCE SHEET  
**\$49 million cash**

<sup>1</sup> Adjusted EBITDA Reconciliations can be found on page 35.

<sup>2</sup> Represents Showroom metrics as of Q3 FY 2020.

<sup>3</sup> Represents average value for for FY 2019 cohort.

- Lifestyle brand disrupting the rapidly changing Home Furnishings landscape
- Portfolio of products centered around innovation; 35 issued patents
- Mid-luxury positioning; Target is 35 – 39 year-old “Young parent want-it-alls”
- Proven omni-channel approach
- Loyal customer base expanding rapidly
- Attractive financial profile with > 50% gross margins
- A founder’s philosophy that drives a focused, multi-pronged strategy

## Traditional Model

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- In-store stocking / long lead time, inventory & personnel heavy delivery
- Low excitement and mundane products
- Non-engaged customer base
- Numerous, large and unproductive stores
- Broad merchandising & seasonal assortment

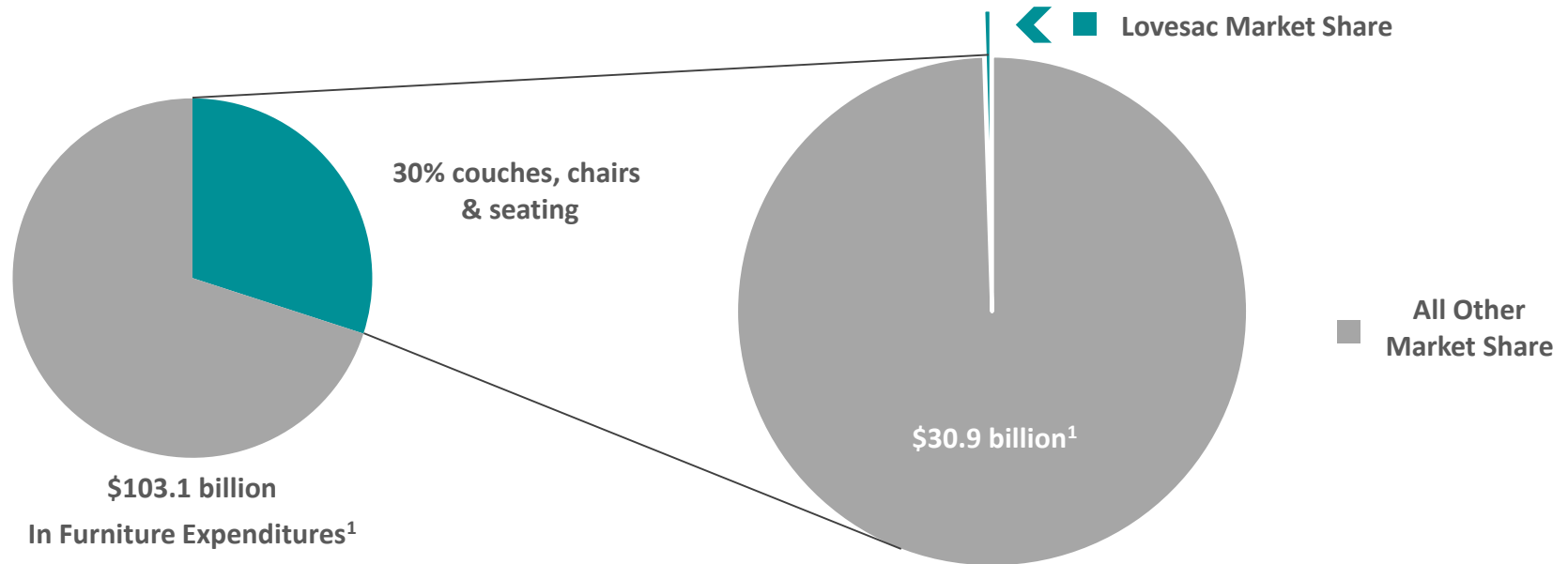


## LOVESAC®

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- Direct to your door FedEx; Ships out next day
- Patented, inventive, Designed For Life products
- Highly engaged customers
- Small, limited, and productive showrooms
- Focused product category, platform approach

Furniture expenditures are expected to grow 3.4% per year through 2021, while online furniture expenditures are expected to grow from \$36.0 billion in 2017 to \$62.4 billion in 2021

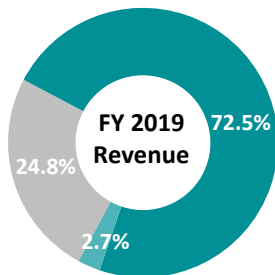


Source: Mintel Group Ltd: Furniture Retailing, US, July 2016.

Source: Home Furnishing Stores and Digital Commerce, eMarketer, US, February 2018.

<sup>1</sup> Expenditures in 2015.

## SACS



## SACTIONALS



## ACCESSORIES



Footsac Blanket



Drink Holder



Seat Table



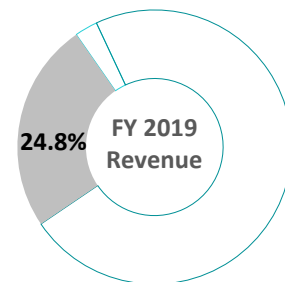
Custom Covers &  
Dec Pillows

## SACS



- Category leader in oversized beanbags
- Product line offers 6 different sizes ranging from 22lbs to 95lbs
- Capacity to seat 3+ people on the larger model Sacs
- Durafoam™ filling

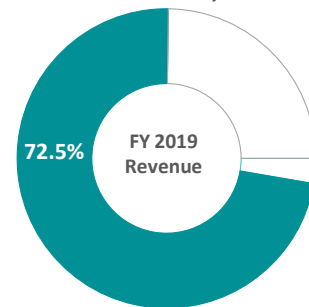
- Sacs shrink to 1/8 original volume
- Multiple shapes & sizes
- Wash & change covers



## SACTIONALS

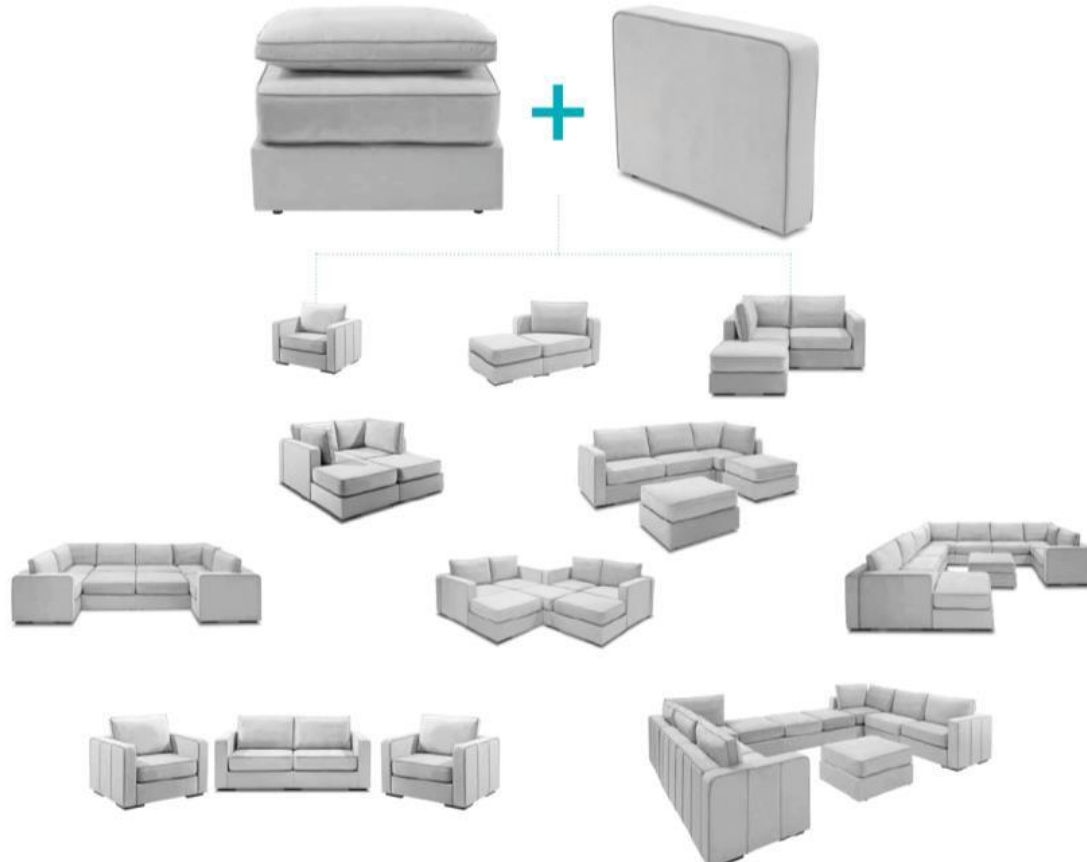


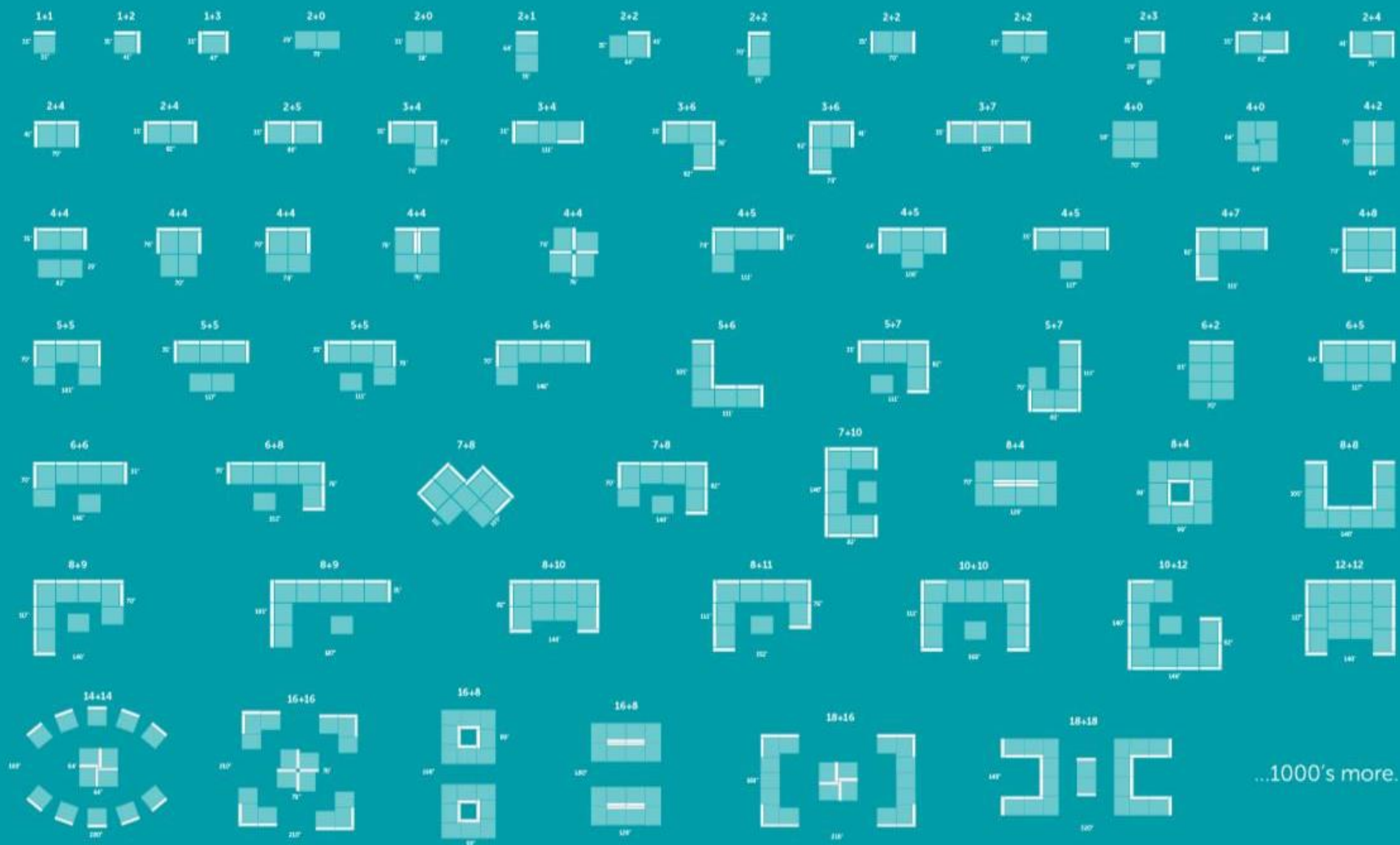
- Next-gen premium modular couch
- Patented modular system makes it easy to assemble & changeable over time
- Create endless permutations of a sectional couch with just two standardized pieces, “Seats” and “Sides”
- Over 250 customizable, machine washable removable covers that fit like upholstery
- Designed for Life: Built to last a lifetime, designed to evolve



## 2 Simple Pieces – Seats and Sides

LOVESAC









- 19 quick-ship covers constitute more than 85% of all covers sales
- 250+ custom covers offer broad choice with zero inventory



- Fabrics manufactured for washability
- Fabrics engineered & tested for durability
- Changeable covers



- Hardwood frames + sinuous springs enable proper sit
- 3 cushion-types: standard, down-fill, & down-alternative
- “Total Comfort”

Sactionals Use Upholstery Fabric made from **100% Repurposed Plastic Bottles**



Plastic bottles are converted into Repreve recycled yarn



82

82 Plastic Bottles go into a standard Sactionals Seat



31

31 Plastic Bottles go into a standard Sactionals Side



966

966 Plastic Bottles go into a standard Sactionals Pit Configuration



Last year alone, Lovesac repurposed more than  
**17 million plastic water bottles** to make Sactionals

# Sactionals is a Platform...Not a Product

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## Comfort



Drink Holder



Seat Table



Footsac Blanket

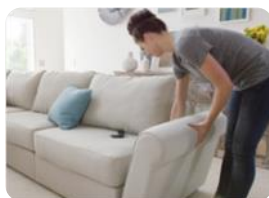


Coaster & Couch Bowl

## Decor



Custom Covers & Dec Pillows



Roll Arm

## Function / Upgrade



Power Hub<sup>2</sup>



Guest Rest Bedding Kit

## Platform Extension



Outdoor Sactionals



**38% of Lovesac transactions are from repeat customers<sup>1</sup>**

<sup>1</sup> % Transactions that are repeat is calculated by dividing transactions from existing customers over total transactions for FY2019. We based this on our internal data relating to customers purchasing in fiscal 2019.

## See It



Social Media



Advertising

## Touch It



Showroom / Shop  
in Shops



Friend / Neighbor

## Buy It



Lovesac.com



Showroom / Shop  
in Shops

Physical retail locations and other direct marketing efforts drive conversion



## Easy to Purchase

- Mobile & Lovesac App purchases are easy
- In-showroom checkout via iPad technology—never leave the couch
- 42.1% of sales through in-house financing facilitated by a leading third party consumer financing<sup>1</sup> company; Drives larger purchases
- 19.9% of revenue through eCommerce channel<sup>1</sup>

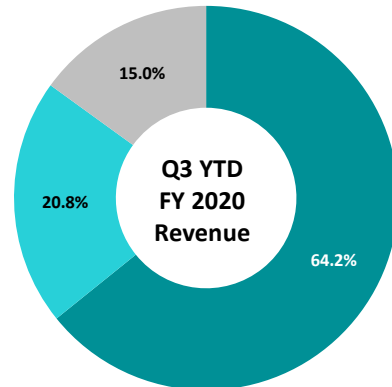
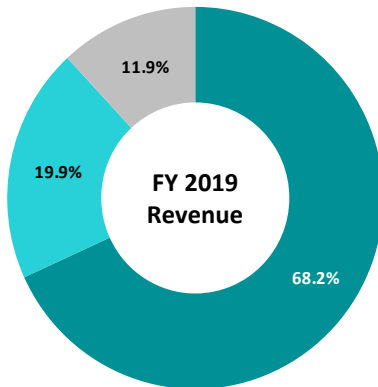
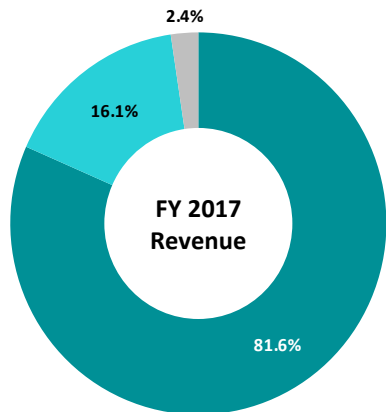
## Easy to Ship

- Can be delivered within 2 days using standard delivery carriers
- Enables deep stock positions in few core SKUs
  - Broad assortment enabled by made-to-order custom covers
  - Stock products made overseas; custom covers made in USA

***Satisfies the “instant gratification” expectations of today’s consumer***

<sup>1</sup> Fiscal year ended February 3, 2019.

## Diversifying Channel Mix



■ Showrooms ■ Internet ■ Other

### Showrooms

- Small-footprint retail locations in high-end malls to create an environment where consumers can touch, feel, read and understand the products

### Pop-up shops (“Other”)

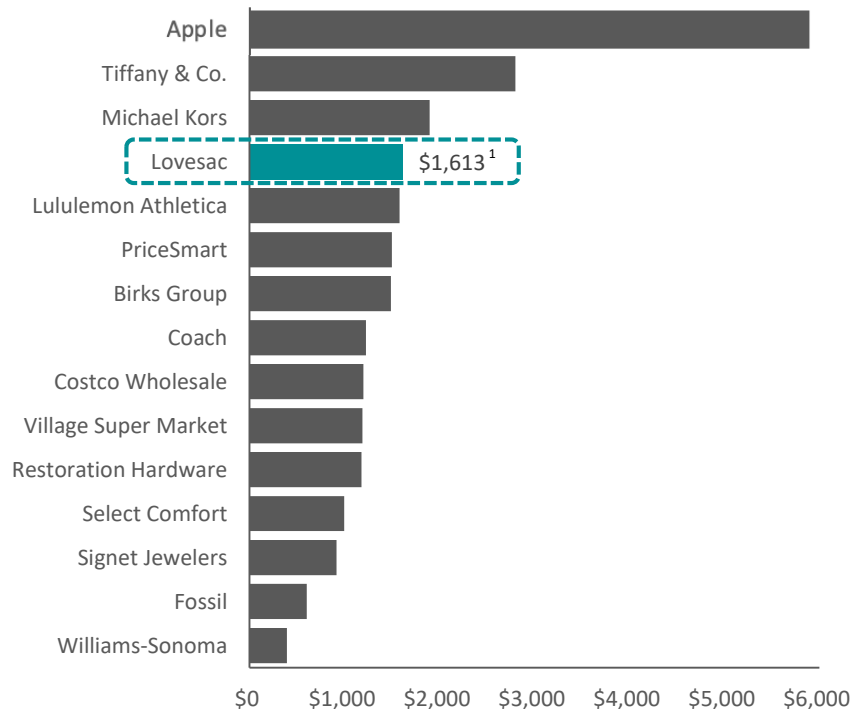
- Pop-up shops provide lower cost retail footprint that enables the Company to extend brand reach
- 553 Costco pop-ups in FY 2019
- 697 Planned for FY 2020 (this year)

### Internet

- Mobile and eCommerce channel drives deeper brand engagement and loyalty

- Opened 13 new showrooms in fiscal 2019
- Opened 17 showrooms in fiscal 2020
- Completed showroom remodels in fiscal 2020
- Collaborated with leading design firm, Prophet NYC, for re-branding effort
- Turns product inside-out to reveal construction & technology
- Minimal merchandising, aesthetic, seasonality and inventory risk

## Showroom Sales Per Sq. Foot



Source: External retailer data from companies' latest available 10K and eMarketer.com, Store Productivity for latest available fiscal year.

Source: Lovesac \$/sqft data from our internal data.

<sup>1</sup> For the fiscal year ended February 3, 2019.

- **Opened 17 new showrooms in FY20 or 20% year-over-year growth**
- **Economics of new showroom model are favorable with strong returns on investment:**
  - Target net sales of \$1.5 to \$1.6 million in the first year
  - Positive four-wall Adjusted EBITDA in the first year
  - Net Investments – incl. floor model inventory, Capex and preopening expenses = \$365K
  - The average payback of our showroom investments is under two years\*
- **Expect to open 20 new showrooms in FY21 or 22% year-over-year growth**

# R.O.A.S. is High, and is Amplified Each Year By....

LOVESAC



Additional Showrooms



New Product Innovation



macy's

More Shop In Shop  
Partners



(Eventual) International  
Expansion

## Awareness\* Marketing



### National TV

Focused around major buying holidays; driving positive ROI's across both showroom and non-showroom markets.

*\*Awareness unaided is currently < 2% nationally*

## Conversion Marketing



Google

### Social and Search

Focused around tent pole events to drive awareness or capitalize on heightened demand due to TV campaign, with room to continue to scale ROI + spend in FYE 2020

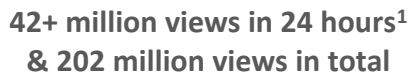
**FY2019 vs.**  
**Prior Year**



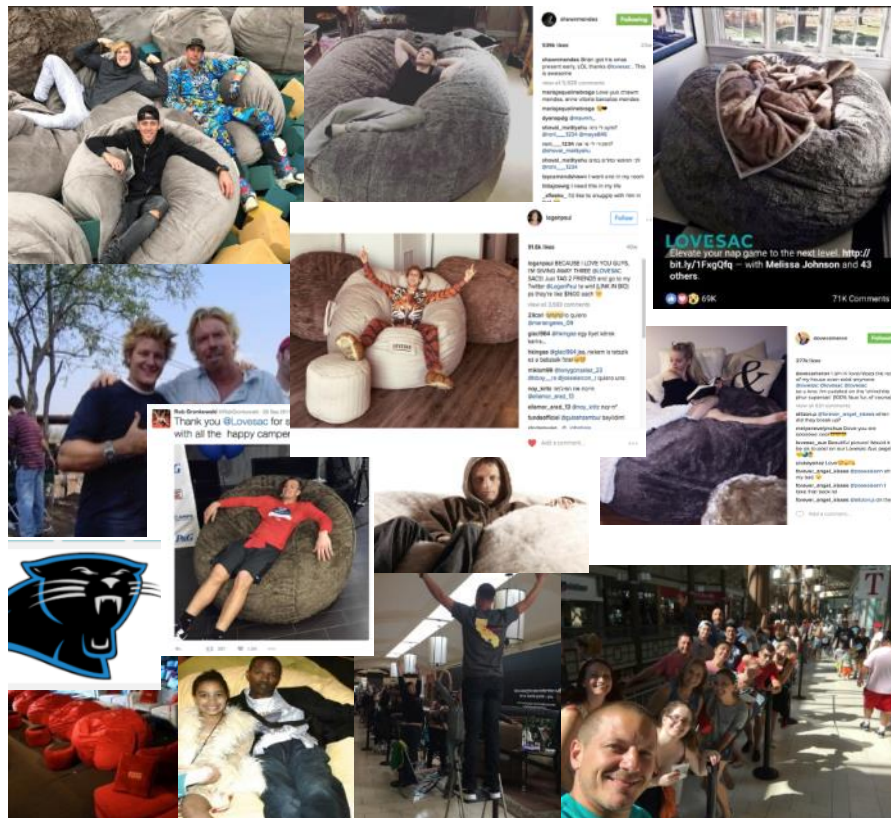
**+ 30%**



**+ 88%**



- Unsolicited celebrity endorsements and promotion
- Lovesac's founder has a strong online following
- One of the most viewed viral videos in the first 24 hours after posting involves a Sac<sup>1</sup>



<sup>1</sup> Source: Wikipedia. *List of most viewed online videos in first 24 hours.*

## Showroom Technology

- Large format motion screens and interactive touchpads to enhance CX



## Data Warehouse-CRM

- Scalable foundation for ERP and CRM



## Logistics Optimization

- Concentrated inventory without shelf-life, at high carry to facilitate growth and flex



## Supply Chain

- Easily scalable with existing suppliers, and to other countries, due to uniformity and flexibility of the 2 core SKUs



## Shipping

- Most advantaged shipping solution for mid-high-end upholstery in the market; Fast & Free (FedEx), or paid white glove delivery set-up available



- Large TAM: Significant opportunity to disrupt a huge, and transitioning home furnishing market
- Unique Product: Products are shippable, durable, washable and easily changeable with a focus on sustainability given our Designed For Life philosophy
- Patent Portfolio: Patent portfolio helps drive differentiation
- Product Innovation: Brand and portfolio of products, including new product introductions, centered around innovation
- Disruptive Omni-channel Approach: Multi-channel distribution through showrooms, shop in shops and online, expands brand reach and drives customer engagement



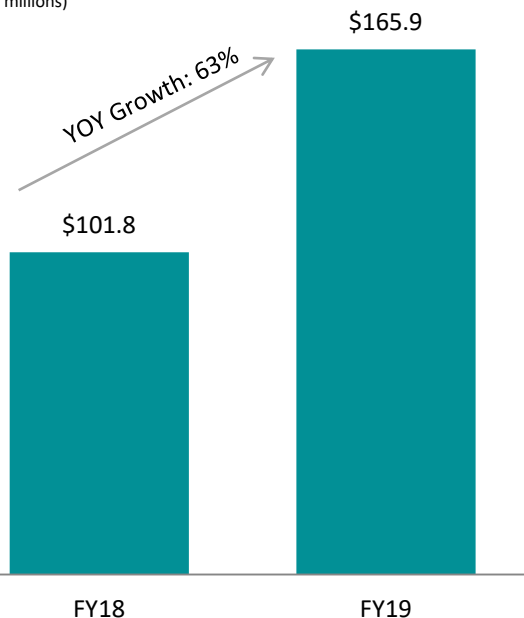
# Financials

# Fiscal 2018 and Fiscal 2019 Metrics

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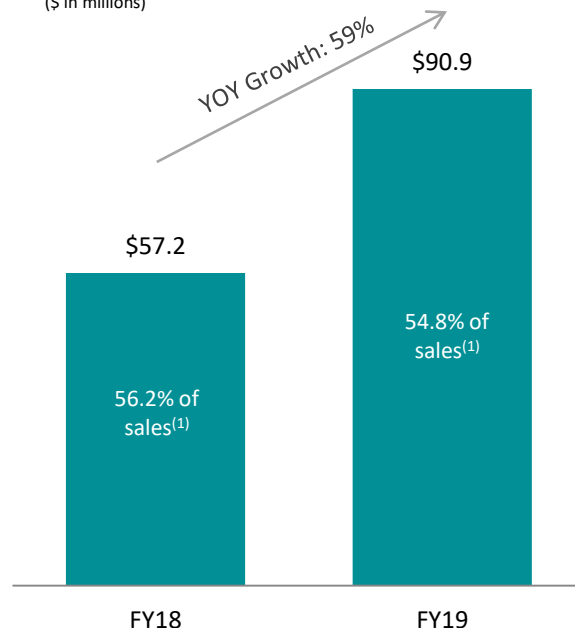
## Net Sales

(\$ in millions)



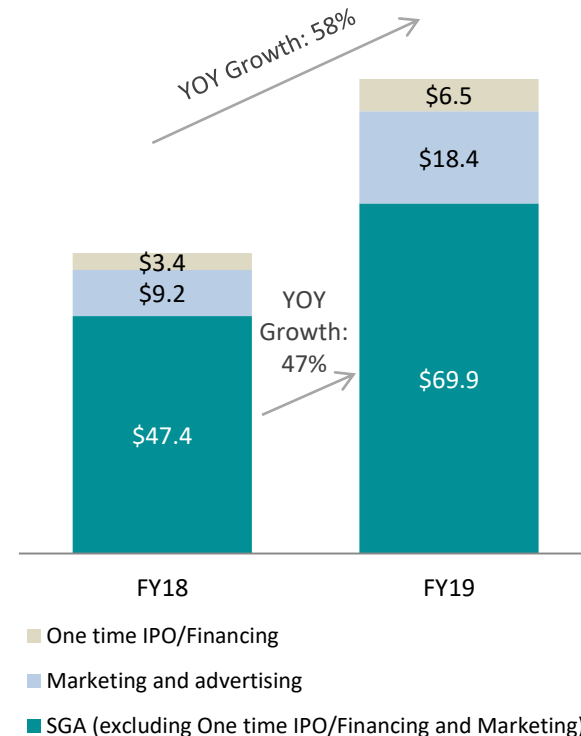
## Gross Profit

(\$ in millions)



## Selling, General & Admin Expenses

(\$ in millions)



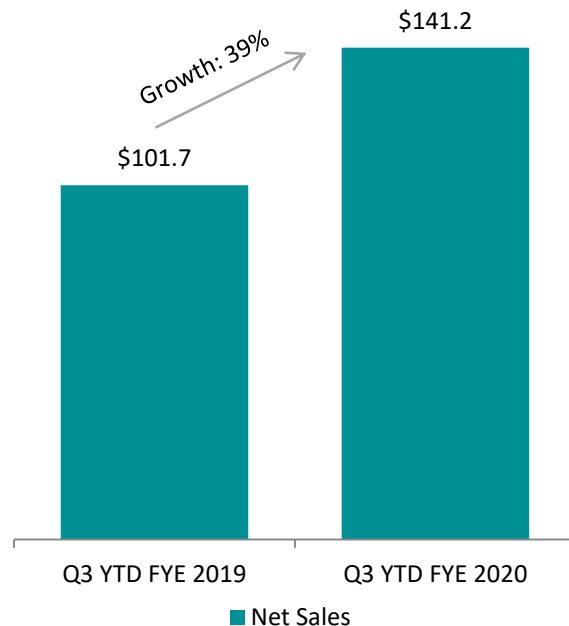
<sup>1</sup> The gross margin change was primarily due to higher freight expense and channel mix shift toward shop-in-shop locations and growth in Sactional products, which carry a slightly lower margin than Sacs. Although shop-in-shops carry a lower gross margin, they generate positive operating margin.

# Q3 YTD Fiscal 2019 and Q3 YTD Fiscal 2020 Metrics

LOVESAC

## Net Sales

(\$ in millions)



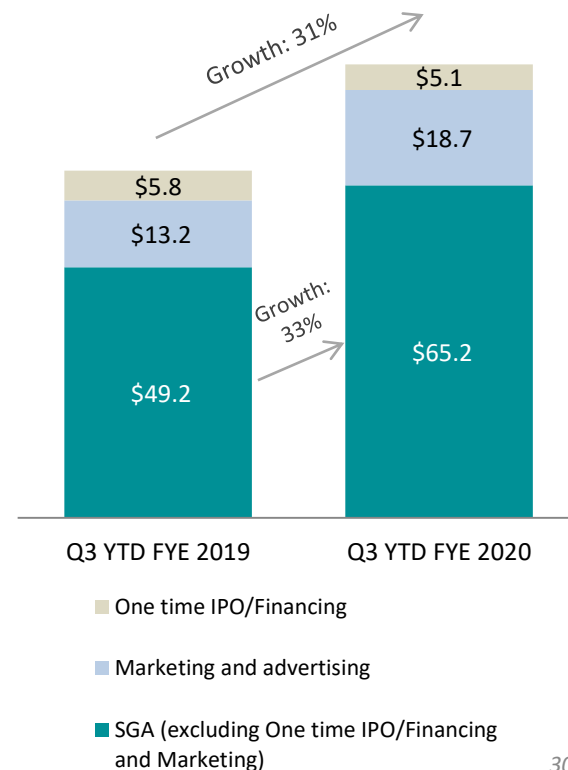
## Gross Profit

(\$ in millions)



## Selling, General & Admin Expenses

(\$ in millions)



<sup>1</sup> The gross margin change was primarily driven by the 25% tariffs partially offset by reduced costs of our Sactionals and Sacs products.

- Fiscal 2020 net sales growth is expected to be approximately 40% versus the previous range of 40% to 42%
- Fiscal 2020 Adjusted EBITDA\* is expected to be a loss of \$3.0 million to \$4.0 million versus prior guidance of positive Adjusted EBITDA
- Adjusted EBITDA\* impacted by increased SG&A investments, primarily in marketing as we continue to innovate, test and learn on the marketing front
- Fiscal 2020 GAAP Net Loss is expected to be between \$15.4 and \$16.4 million and Adjusted Net Loss\* is expected to be between \$14.9 million to \$15.9 million

# FY 2020 Preliminary Adjusted EBITDA and Adjusted Net Loss Non-GAAP Reconciliation

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(dollars in thousands)	Preliminary estimate for the fiscal year ended February 2, 2020	Actual for the fiscal year ended February 3, 2019
Net Loss	\$ (16,400)	\$ (6,704)
Interest income	(600)	(355)
Depreciation and amortization	5,100	3,134
Taxes	50	16
EBITDA	(11,850)	(3,909)
Management fees	600	1,177
Deferred rent	1,200	531
Equity-based compensation	5,800	3,310
Net (gain) loss on the disposal of property and equipment	(166)	255
Other expenses	500	2,020
Adjusted EBITDA	\$ (3,916)	\$ 3,384

(dollars in thousands)	Preliminary estimate for the fiscal year ended February 2, 2020	Actual for the fiscal year ended February 3, 2019
Net Loss	\$ (16,400)	\$ (6,704)
Other expenses	500	4,088
Adjusted Net Loss	\$ (15,900)	\$ (2,616)

# Q3 YTD FYE 2020 Income Statement & Non-GAAP Reconciliation

# LOVESAC

	FY		Q1		Q2		Q3		Q3 YTD	
	FY 2018	FY 2019	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020
Net Sales (\$ in 000's)										
Showrooms	\$ 77,837	\$ 113,105	\$ 18,549	\$ 26,925	\$ 23,023	\$ 31,262	\$ 28,043	\$ 32,474	\$ 69,616	\$ 90,661
Internet	18,859	33,024	4,566	8,459	5,515	9,457	7,729	11,416	17,811	29,331
Other	5,114	19,752	3,653	5,574	4,710	7,428	5,914	8,208	14,277	21,210
Total Net Sales	\$ 101,810	\$ 165,881	\$ 26,769	\$ 40,958	\$ 33,249	\$ 48,146	\$ 41,686	\$ 52,097	\$ 101,704	\$ 141,202
% growth		62.9%		53.0%		44.8%		25.0%		38.8%
Cost of merchandise sold	\$ 44,593	\$ 75,000	\$ 12,122	\$ 19,966	\$ 15,410	\$ 23,861	\$ 18,799	\$ 25,844	\$ 46,331	\$ 69,671
Gross Profit	\$ 57,217	\$ 90,881	\$ 14,647	\$ 20,992	\$ 17,839	\$ 24,285	\$ 22,887	\$ 26,254	\$ 55,373	\$ 71,531
% margin	56.2%	54.8%	54.7%	51.3%	53.7%	50.4%	54.9%	50.4%	54.4%	50.7%
Selling, general and administrative expenses	\$ 50,848	\$ 76,427	\$ 15,195	\$ 23,862	\$ 20,454	\$ 21,956	\$ 19,329	\$ 24,485	\$ 54,978	\$ 70,303
Advertising and marketing	\$ 9,192	\$ 18,363	\$ 4,408	\$ 5,389	\$ 3,595	\$ 6,070	\$ 5,165	\$ 7,258	\$ 13,167	\$ 18,718
Depreciation and amortization	\$ 2,214	\$ 3,134	\$ 670	\$ 1,066	\$ 759	\$ 1,206	\$ 1,084	\$ 1,378	\$ 2,513	\$ 3,649
Operating Loss	\$ (5,038)	\$ (7,044)	\$ (5,625)	\$ (9,324)	\$ (6,969)	\$ (4,947)	\$ (2,691)	\$ (6,867)	\$ (15,286)	\$ (21,138)
% margin	-4.9%	-4.2%	-21.0%	-22.8%	-21.0%	-10.3%	-6.5%	-13.2%	-15.0%	-15.0%
Other Income (Expense)										
Interest (Expense) Income	(438)	355	(58)	235	(0)	169	201	134	142	538
Income taxes	(26)	(16)	-	(12)	-	7	-	(16)	-	(21)
Net Loss	\$ (5,502)	\$ (6,704)	\$ (5,683)	\$ (9,102)	\$ (6,970)	\$ (4,771)	\$ (2,491)	\$ (6,748)	\$ (15,143)	\$ (20,621)
% margin	-5.4%	-4.0%	-21.2%	-22.2%	-21.0%	-9.9%	-6.0%	-13.0%	-14.9%	-14.6%
Net Loss per common share (basic and diluted)	\$ (1.12)	\$ (3.28)	\$ (1.25)	\$ (0.67)	\$ (3.71)	\$ (0.33)	\$ (0.22)	\$ (0.46)	\$ (4.51)	\$ (1.45)
Adjusted Net (Loss) Income per common share	\$ (0.55)	\$ 0.32	\$ (0.41)	\$ (0.67)	\$ (0.63)	\$ (0.31)	\$ (0.15)	\$ (0.46)	\$ (1.16)	\$ (1.43)
<b>Adjusted EBITDA Reconciliation:</b>										
Net Loss	\$ (5,502)	\$ (6,704)	\$ (5,683)	\$ (9,102)	\$ (6,970)	\$ (4,771)	\$ (2,490)	\$ (6,748)	\$ (15,143)	\$ (20,621)
Interest expense	438	(355)	58	(235)	-	(169)	(201)	(134)	142	(538)
Taxes	26	16	-	12	-	(7)	-	16	-	21
Depreciation and Amortization	2,359	3,134	670	1,066	759	1,206	1,084	1,378	2,513	3,649
EBITDA	\$ (2,679)	\$ (3,909)	\$ (4,955)	\$ (8,259)	\$ (6,211)	\$ (3,741)	\$ (1,607)	\$ (5,488)	\$ (12,488)	\$ (17,489)
Sponsor fees	\$ 484	\$ 1,177	\$ 125	\$ 164	\$ 742	\$ 133	\$ 125	\$ 141	\$ 992	\$ 438
Equity-based compensation expense	951	3,310	295	3,223	2,039	171	516	628	2,850	4,021
Write-off of property and equipment	197	255	6	47	-	(214)	-	-	6	(167)
Deferred rent	360	531	123	12	128	77	131	816	382	904
Other expenses	1,959	2,021	216	150	1,292	275	444	174	1,982	598
Adjusted EBITDA	\$ 1,272	\$ 3,385	\$ (4,190)	\$ (4,663)	\$ (2,010)	\$ (3,299)	\$ (391)	\$ (3,729)	\$ (6,276)	\$ (11,695)
% margin	1.2%	2.0%	-15.7%	-11.4%	-6.0%	-6.9%	-0.9%	-7.2%	-6.2%	-8.3%



# Appendix

	As of November 3, 2019	As of February 3, 2019
<b>Current Assets</b>		
Cash and cash equivalents	\$ 27,896,406	\$ 49,070,952
Trade accounts receivable	8,581,102	3,955,124
Merchandise inventories	50,206,326	26,154,314
Prepaid expenses and other current assets	8,415,638	5,933,872
<b>Total Current Assets</b>	<b>95,099,472</b>	<b>85,114,262</b>
<b>Property and Equipment, Net</b>	<b>21,838,589</b>	<b>15,595,079</b>
<b>Other Assets</b>		
Goodwill	143,562	143,562
Intangible assets, net	1,200,274	942,331
Deferred financing costs, net	164,303	219,071
<b>Total Other Assets</b>	<b>1,508,139</b>	<b>1,304,964</b>
<b>Total Assets</b>	<b>\$ 118,446,200</b>	<b>\$ 102,014,305</b>
<b>Current Liabilities</b>		
Accounts payable	\$ 18,971,289	\$ 16,836,816
Accrued expenses	5,120,624	3,701,090
Payroll payable	3,385,340	2,269,834
Customer deposits	3,427,184	1,059,957
Sales taxes payable	893,917	750,922
<b>Total Current Liabilities</b>	<b>31,798,354</b>	<b>24,618,619</b>
<b>Deferred Rent</b>	<b>2,498,124</b>	<b>1,594,179</b>
<b>Line of Credit</b>	<b>-</b>	<b>31,373</b>
<b>Total Liabilities</b>	<b>34,296,478</b>	<b>26,244,171</b>
<b>Stockholders' Equity</b>		
Preferred Stock	-	-
Common Stock	145	136
Accumulated paid-in capital	168,028,472	141,727,807
Accumulated deficit	(83,578,895)	(62,957,809)
<b>Total Stockholders' Equity</b>	<b>84,449,722</b>	<b>78,770,134</b>
<b>Total Liabilities and shareholders' Equity</b>	<b>\$ 118,746,200</b>	<b>\$ 105,014,305</b>

# FY 18/19 Income Statement & Non-GAAP Reconciliation

LOVESAC

(\$ in 000's)	Q1		Q2		Q3		Q4		FY	
	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019
Net Sales										
Showrooms	\$ 13,993	\$ 18,549	\$ 16,242	\$ 23,023	\$ 19,042	\$ 28,043	\$ 28,560	\$ 43,490	\$ 77,837	\$ 113,105
Internet	3,051	4,566	3,221	5,515	3,986	7,729	8,601	15,214	18,859	33,024
Other	588	3,653	1,282	4,710	1,363	5,914	1,881	5,475	5,114	19,752
Total Net Sales	\$ 17,632	\$ 26,768	\$ 20,745	\$ 33,249	\$ 24,391	\$ 41,686	\$ 39,042	\$ 64,178	\$ 101,810	\$ 165,881
% growth		51.8%		60.3%		70.9%		64.4%		62.9%
Cost of merchandise sold	\$ 8,544	\$ 12,122	\$ 9,214	\$ 15,410	\$ 10,724	\$ 18,799	\$ 16,111	\$ 28,669	\$ 44,593	\$ 75,000
Gross Profit	\$ 9,088	\$ 14,646	\$ 11,531	\$ 17,839	\$ 13,667	\$ 22,887	\$ 22,931	\$ 35,509	\$ 57,217	\$ 90,881
% margin		51.5%		54.7%		56.0%		54.9%		56.2%
Selling, general and administrative expenses	\$ 10,905	\$ 15,195	\$ 11,575	\$ 20,454	\$ 12,095	\$ 19,329	\$ 16,129	\$ 21,449	\$ 50,848	\$ 76,427
Advertising and marketing	1,024	4,408	1,953	3,595	2,798	5,165	3,417	5,196	\$ 9,192	\$ 18,363
Depreciation and amortization	347	670	339	759	836	1,084	838	621	\$ 2,214	\$ 3,134
Operating (Loss) Income	\$ (3,188)	\$ (5,626)	\$ (2,336)	\$ (6,969)	\$ (2,062)	\$ (2,691)	\$ 2,547	\$ 8,243	\$ (5,038)	\$ (7,044)
% margin		-18.1%		-21.0%		-8.5%		-6.5%		6.5%
Other Income (Expense)										
Interest (Expense) Income	(150)	(58)	(79)	0	(115)	201	(94)	213	(438)	355
Income taxes	-	-	-	-	-	-	(26)	(16)	(26)	(16)
Net (Loss) Income	\$ (3,338)	\$ (5,684)	\$ (2,415)	\$ (6,969)	\$ (2,177)	\$ (2,490)	\$ 2,427	\$ 8,440	\$ (5,502)	\$ (6,704)
% margin		-18.9%		-21.2%		-8.9%		-6.0%		6.2%
Net (Loss) Income per common share (basic and diluted)	\$ (0.56)	\$ (1.25)	\$ (0.45)	\$ (3.71)	\$ (0.43)	\$ (0.22)	\$ 0.31	\$ 0.62	\$ (1.12)	\$ (3.28)
Adjusted Net (Loss) Income per common share	\$ (0.28)	\$ (1.76)	\$ (0.16)	\$ (0.27)	\$ (0.13)	\$ (0.03)	\$ 1.00	\$ 0.74	\$ (0.55)	\$ 0.32
Adjusted EBITDA Reconciliation:										
Net (Loss) Income	\$ (3,337)	\$ (5,683)	\$ (2,415)	\$ (6,969)	\$ (2,177)	\$ (2,490)	\$ 2,427	\$ 8,440	\$ (5,502)	\$ (6,704)
Interest expense	150	58	79	0	115	(201)	94	(213)	438	(355)
Taxes	-	-	-	-	-	-	26	16	26	16
Depreciation and Amortization	347	670	339	759	836	1,084	838	621	2,359	3,134
EBITDA	\$ (2,840)	\$ (4,955)	\$ (1,997)	\$ (6,209)	\$ (1,226)	\$ (1,607)	\$ 3,384	\$ 8,863	\$ (2,679)	\$ (3,909)
Sponsor fees	\$ 108	\$ 125	\$ 125	\$ 742	\$ 125	\$ 125	\$ 125	\$ 185	\$ 484	\$ 1,177
Equity-based compensation expense	-	295	-	2,039	15	516	935	460	951	3,310
Write-off of property and equipment	-	6	-	-	-	-	194	249	197	255
Deferred rent	67	123	72	128	103	131	118	148	360	531
Other expenses	249	216	239	1,292	205	444	1,265	70	1,959	2,021
Adjusted EBITDA	\$ (2,416)	\$ (4,190)	\$ (1,561)	\$ (2,008)	\$ (778)	\$ (392)	\$ 6,022	\$ 9,975	\$ 1,272	\$ 3,385
% margin		-13.7%		-15.7%		-3.2%		-0.9%		15.4%
										15.5%
										1.2%
										2.0%