

| OMB APPROVAL                                 |           |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|   |   |  |
|---|---|--|
| 1. Name and Address of Reporting Person*<br><u>Lolmaugh Cabell</u><br><br>(Last) (First) (Middle)<br>C/O TILE SHOP HOLDINGS, INC.<br>14000 CARLSON PARKWAY<br><br>(Street)<br>PLYMOUTH MN 55441<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>TILE SHOP HOLDINGS, INC. [ TTSH ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br>Chief Executive Officer |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br>03/15/2021                          |  |
|   | 4. If Amendment, Date of Original Filed (Month/Day/Year)                                | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person                                       |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |        | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|--------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price  |   |  |   |
| Common Stock                    | 03/15/2021                           |  | A                              |   | 15,214 <sup>(1)</sup>   | A          | \$0    | 154,592   | D  |   |
| Common Stock                    | 03/15/2021                           |  | A                              |   | 30,428 <sup>(2)</sup>   | A          | \$0    | 185,020   | D  |   |
| Common Stock                    | 03/16/2021                           |  | F                              |   | 9,453 <sup>(3)</sup>  | D          | \$6.98 | 175,567 <sup>(4)(5)</sup>   | D  |   |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  |
| Stock Option (Right to Buy)                | \$10   |                                      |  |                                |   |  |     | (6)  | 08/21/2022      | Common Stock  | 2,750                                      | 2,750  | D   |  |
| Stock Option (Right to Buy)                | \$8.58   |                                      |  |                                |   |  |     | (6)  | 10/21/2021      | Common Stock  | 5,700                                      | 5,700  | D   |  |
| Stock Option (Right to Buy)                | \$14.19  |                                      |  |                                |   |  |     | (6)  | 07/14/2022      | Common Stock  | 1,613                                      | 1,613  | D   |  |
| Stock Option (Right to Buy)                | \$8.5  |                                      |  |                                |   |  |     | (7)  | 11/06/2027      | Common Stock  | 26,900                                     | 26,900   | D   |  |
| Stock Option (Right to Buy)                | \$5.55   |                                      |  |                                |   |  |     | (8)  | 02/22/2028      | Common Stock  | 56,000                                     | 56,000   | D   |  |
| Stock Option (Right to Buy)                | \$6.26   |                                      |  |                                |   |  |     | (9)  | 02/20/2029      | Common Stock  | 97,067                                     | 97,067   | D   |  |

Explanation of Responses:

- Represents 15,214 shares of restricted stock for which the risks of forfeiture will lapse as to 5,071 shares on each of 3/15/22 and 3/15/23 and 5,072 shares on 3/15/24, subject to continuous employment as of the applicable vesting date.
- Represents 30,428 shares of performance-based restricted stock for which the risks of forfeiture will lapse as to 9,128 shares on the date the Issuer files its annual report for the year ending December 31, 2021, 9,128 shares on the date the Issuer files its annual report for the year ending December 31, 2022, and 12,172 shares on the date the Issuer files its annual report for the year ending December 31, 2023, subject to (i) Mr. Lolmaugh remaining in continuous employment with the Issuer prior to and as of December 31 of the year preceding the applicable vesting date and (ii) the Issuer achieving its performance target for each respective year.
- The reporting person has elected to satisfy his tax withholding obligation in connection with the vesting of a prior restricted stock grant by directing the Issuer to withhold shares otherwise issuable upon vesting of the previously reported grant.
- Includes (i) 3,012 shares of restricted stock for which the risks of forfeiture will lapse on 10/17/21; (ii) 5,625 shares of restricted stock for which the risks of forfeiture will lapse on 2/22/22; (iii) 85,482 shares of restricted stock for which the risks of forfeiture will lapse as to 28,494 shares on each of 3/16/22, 3/16/23 and 3/16/24; (iv) 15,214 shares of restricted stock for which the risks of forfeiture will lapse as to 5,071 shares on each of 3/15/22 and 3/15/23 and 5,072 shares on 3/15/24; and
- (v) 30,428 shares of performance-based restricted stock for which the risks of forfeiture will lapse in three installments of 9,128, 9,128 and 12,172 on each of the dates that the Issuer files its annual report for the years ending December 31, 2021, 2022 and 2023, respectively, subject to Mr. Lolmaugh remaining in continuous employment with the Issuer prior to and as of December 31 of the year preceding the applicable vesting date and the Issuer achieving its performance target for each respective year.

- 6. Fully exercisable.
- 7. Options to purchase 6,725 shares vest on 11/6/21.
- 8. Options to purchase 14,000 shares vest on 2/22/22.
- 9. Options to purchase 24,267 shares vest on 2/20/22 and 2/20/23.

/s/ Cabell Lolmaugh

03/17/2021

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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