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

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 7, 2018

XPRESSPA GROUP, INC.
(formerly known as FORM Holdings Corp.)
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34785
(Commission
File Number)

20-4988129
(I.R.S. Employer
Identification No.)

780 Third Avenue, 12th Floor, New York, NY 10017
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (212) 309-7549

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 1.01 Entry into a Material Definitive Agreement.

On March 7, 2018, XpresSpa Group, Inc. (the “Company”) entered into a membership purchase agreement (the “Purchase Agreement”) with Route1 Security Corporation, a Delaware corporation (the “Buyer”), and Route1 Inc., an Ontario corporation (“Route1”), pursuant to which the Buyer agreed to acquire the Company’s Group Mobile segment, which provides total hardware solutions, including rugged laptops, tablets, and handheld computers (the “Disposition”). The closing of the Disposition is expected to occur in late March 2018.

In consideration for the Disposition, the Buyer has agreed to issue to the Company (i) 25 million shares of common stock of Route1, (ii) warrants to purchase 30 million shares of common stock of Route1, which will feature an exercise price of CAD 5 cents per share of common stock and will be exercisable for a three-year period, and (iii) certain other payments over the three year period pursuant to an earn-out provision in the Purchase Agreement. Post-closing, the Company will own approximately 6.7% of Route1’s undiluted shares of common stock. The issued Route1 shares of common stock will not be tradable until a date no earlier than 12 months after the closing date; 50% or 12.5 million shares of common stock tradeable after 12 months plus an additional 2,083,333 shares of common stock tradeable each month until 18 months after the date of closing, subject to a change of control provision. The Company has the ability to sell the issued Route1 shares of common stock and warrants to qualified institutional investors.

The Purchase Agreement also contains representations, warranties, and covenants customary for transactions of this type. The foregoing description of the Purchase Agreement is incomplete, and is subject to, and qualified in its entirety by, the full text of the Purchase Agreement, which shall be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the period ending March 31, 2018.

Item 8.01 Other Events.

On March 8, 2018, the Company issued a press release announcing the Disposition. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

[99.1 Press release of the Company, dated March 8, 2018.](#)

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 hereunto duly authorized.

XPRESSPA GROUP, INC.

Date: March 8, 2018

By: /s/ Andrew D. Perlman

Name: Andrew D. Perlman

Title: Chief Executive Officer

XpresSpa Group

XpresSpa Divests Certain Key Non-Core Assets

NEW YORK, March 8, 2018 (GLOBE NEWSWIRE) -- XpresSpa Group Inc. (Nasdaq:XSPA) (“XpresSpa” or the “Company”), a health and wellness holding company, today provided an update on the disposition of certain key non-core assets. These include:

- On March 7, 2018, the Company signed a definitive merger agreement to sell Group Mobile Int’l LLC (“GM”), a supplier of built-to-order rugged computers, mobile devices and accessories, to Route 1, Inc. (TSXV: ROI, OTCQB: ROIUF), a Canadian software developer, in exchange for Route1 common stock and warrants with an estimated preliminary value of \$1.0 million and an earn-out with an estimated preliminary value of \$1.0 million. In addition, the Company expects to collect approximately \$0.75 million in cash upon the sale of certain GM inventory. The transaction is expected to close on or before March 30, 2018. These values are preliminary and are based on our management’s estimate of expected earnout payments and of the values related to the stock and warrants and are subject to change.
- In October 2017, the Company sold FLI Charge, Inc., an early stage company that designs, develops, licenses, manufactures and markets power transfer and charging solutions, to FLI Charge’s management team for approximately \$1.05 million in cash, of which \$0.25 million was paid upon closing and \$0.8 million was paid in the first quarter of 2018, as well as a 5% perpetual royalty and warrants representing a 5% ownership in FLI Charge Inc.
- In January 2018, the Company sold certain patents to Crypto Currency Patent Holdings Company LLC, a unit of Marathon Patent Group, Inc., for approximately \$1.25 million, comprised of \$0.25 million in cash and 250,000 shares of common stock valued at approximately \$1.0 million at the time of the transaction.
- Separately, the Company has settled outstanding litigation and made additional patent sales for cash consideration totaling \$0.4 million.

“Our strategic focus is to build XpresSpa into a preeminent health and wellness services company, and the monetization of these key non-core assets frees our time and attention for deployment into our core business growth,” said Andrew Perlman, CEO of XpresSpa Group. “We are nearing completion of creating a pure play wellness business, and will continue to work on completing sales of the few remaining non-core assets.”

About XpresSpa Group, Inc.

XpresSpa Group, Inc. (Nasdaq:XSPA) is a health and wellness holding company. XpresSpa Group's core asset, XpresSpa, is the world's largest airport spa company, with 57 locations in 23 airports globally (as of January 8, 2018), including one off-airport spa at Westfield World Trade Center in New York City. XpresSpa offers services that are tailored specifically to the busy customer. XpresSpa is committed to providing exceptional customer experiences with its innovative premium spa services, as well as exclusive luxury travel products and accessories. XpresSpa serves almost one million customers per year at its locations in the United States, Holland, and the United Arab Emirates. XpresSpa Group's non-core assets include Group Mobile, Infomedia, and intellectual property assets. To learn more about XpresSpa Group, visit: www.XpresSpaGroup.com. To learn more about XpresSpa, visit www.XpresSpa.com.

Forward-Looking Statements

This press release contains "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These include statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements relating to expectations about future results or events are based upon information available to XpresSpa Group as of today's date, and are not guarantees of the future performance of the company, and actual results may vary materially from the results and expectations discussed. Additional information concerning these and other risks is contained in the Company's most recently filed Annual Report on Form 10-K, Quarterly Report on Form 10-Q, recent Current Reports on Form 8-K and other SEC filings. All subsequent written and oral forward-looking statements concerning XpresSpa Group Inc., or other matters attributable to XpresSpa or any person acting on its behalf, are expressly qualified in their entirety by the cautionary statements above. XpresSpa Group Inc. does not undertake any obligation to publicly update any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof.

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XpresSpa Group, Inc.
