

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): September 12, 2019

XPRESSPA GROUP, INC.

(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, New York 10017
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (646) 525-4319

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))

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	XSPA	The Nasdaq Stock Market

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 7.01. Regulation FD Disclosure.

XpresSpa Group, Inc. has prepared an investor presentation to be used in connection with a presentation made to the Jefferies 2019 Fitness & Wellness Summit, a copy which is attached to this Current Report on Form 8-K as Exhibit 99.1.

In accordance with General Instruction B.2 on Form 8-K, the information set forth in this Item 7.01 and the investor presentation attached to this report as Exhibit 99.1 is “furnished” and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall such information be deemed incorporated by reference in any filing under the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended.

Item 9.01 - Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
<u>99.1</u>	<u>Investor Presentation</u>

SIGNATURE

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.

Dated: September 12, 2019

By: /s/ Douglas Satzman
Name: Douglas Satzman
Title: Chief Executive Officer

XpresSpa Group

a preeminent
pure-play health and wellness
services company

INVESTOR PRESENTATION
2019 | September

NASDAQ: XSPA

Disclaimers

Safe Harbor Statement

This presentation includes forward-looking statements, which may be identified by words such as “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 XpresSpa Group’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, or other matters and attributable to XpresSpa Group or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. XpresSpa Group 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.

Trademark Usage

XpresSpa Group the XpresSpa Group logo, and other XpresSpa Group trademarks, service marks, and designs are registered or unregistered trademarks of XpresSpa Group Inc. and its subsidiaries in the United States and in foreign countries. This presentation contains trade names, trademarks and service marks of other companies. All such trade names, trademarks and service marks of other companies are property of their respective owners. XpresSpa Group Inc. does not intend its use or display of other parties’ trade names, trademarks and service marks to imply a relationship with, or endorsement or sponsorship of or by, such other parties.

Use of Non-GAAP Financial Measures

XpresSpa uses GAAP and non-GAAP measurements to assess the trends in its business. Items XpresSpa reviews on an ongoing basis are revenues, Comp Store Sales (which it defines as sales from stores opened longer than a year compared to the same period sales of those stores a year ago), store contribution margins, and number of transactions (which is a way to measure traffic in spas). In addition, XpresSpa monitors stores’ performance compared to its model store metrics to ensure that it is consistently opening spas that have the same or similar return dynamics as historical stores. XpresSpa believes the trends exhibited by its business are strong and substantiate its continued investment in additional locations and infrastructure.

Wellness On The Go

We are the **leader** in fast-spa services, providing premier wellness solutions in 30 minutes or less.

Dedicated to keeping people looking and feeling their best **on the go**.

Our cutting-edge services and products are designed to **move with you**.



XpresSpa[®]

The leading
airport spa
company in
the U.S. and
the world

Market share leader in the U.S.

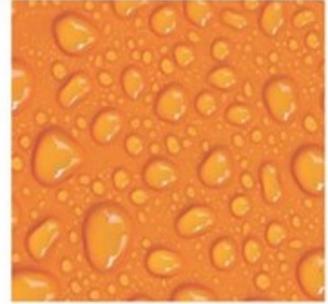
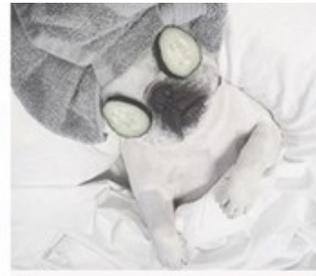
- Perfected the fast-spa format
- We win the majority of airport RFPs
- 52 company-owned locations
- 1 franchise location
- Market opportunity of over 150 company-owned in-airport domestic locations
- Additional franchising and international opportunities

Investment Highlights

- **We dominate** the domestic market
- Attractive **Unit Economics**
- Vast In-Airport **Expansion Potential**
- New **Leadership** spearheading business improvements
 - Positive comparable store sales year-to-date
- Achieved **Adjusted EBITDA Profitability** in second quarter
 - Reducing store-level and overhead costs
 - Implementing technology-based process improvements
- **Improved Capital Structure** through recent Debt and Equity Transactions



Spa Xpre
XpresSpa
Spa Xpre





In 2019,
air travel is
estimated to
grow 6%.¹

**The average wait
time is
approximately
137 minutes.²**

¹ Statistica

² Aviation Pros, 2017



We offer
busy people an
opportunity
to relax
and renew
on the go

Customer Testimonials

"XpresSpa, my tired convention feet appreciate you!"

- Jessica L.

"What to do during a 3-hour layover...Manicure? I think yes! Thanks @XpresSpa!!"

- Allison G. (Twitter)

"Great service and massage at XpresSpa DFW. I look forward to checking out other locations."

- Laressa W.

"I left my eye-glasses there (maybe because I was too relaxed) and XpresSpa sent them all the way back to Italy! What great customer service!"

- Manny C.

"@XpresSpa is my new way to crush a 2-hour delay!"

- Erin S.
(Twitter)

"Airport spas are the greatest idea ever. Makes me want to be early for my flights. #XpresSpa"

- Katie Z.

Experienced Senior Management



DOUG SATZMAN, CEO

- Former CEO, Joe Coffee Company
- Former CEO, Le Pain Quotidien - US
- Former SVP, Starbucks Coffee - EMEA
- Former VP, Starbucks Coffee - US License Stores (Airports, Lodging, Universities, Healthcare, Offices)



SCOTT MILFORD
Chief People Officer

- Former VP- People Operations, SoulCycle
- Former SVP - HR, Le Pain Quotidien - Global
- Former Chief HR Officer, Town Sports - International
- Former VP- Partner Resources, Starbucks Coffee



RICHARD BACHMANN
Senior Director of Operations

- Former Director - Retail Operations, Tumi
- Former Director - Retail and Seasonal Operations, Brookstone
- Former Store Manager, Benetton
- Former Store Manager, Urban Outfitters
- Former Store Manager, Banana Republic



ANGELIA YAUN
Senior Director of Spas
XpresSpa, North America

- Former Senior Director of Stores, Luxottica Luxury
- Former Regional Director, Godiva
- Former Regional Manager Safilo/Solstice

Established Airport Presence



2019 Developments

- Austin - company
- Austin- franchise
- Las Vegas
- Philadelphia
- Atlanta



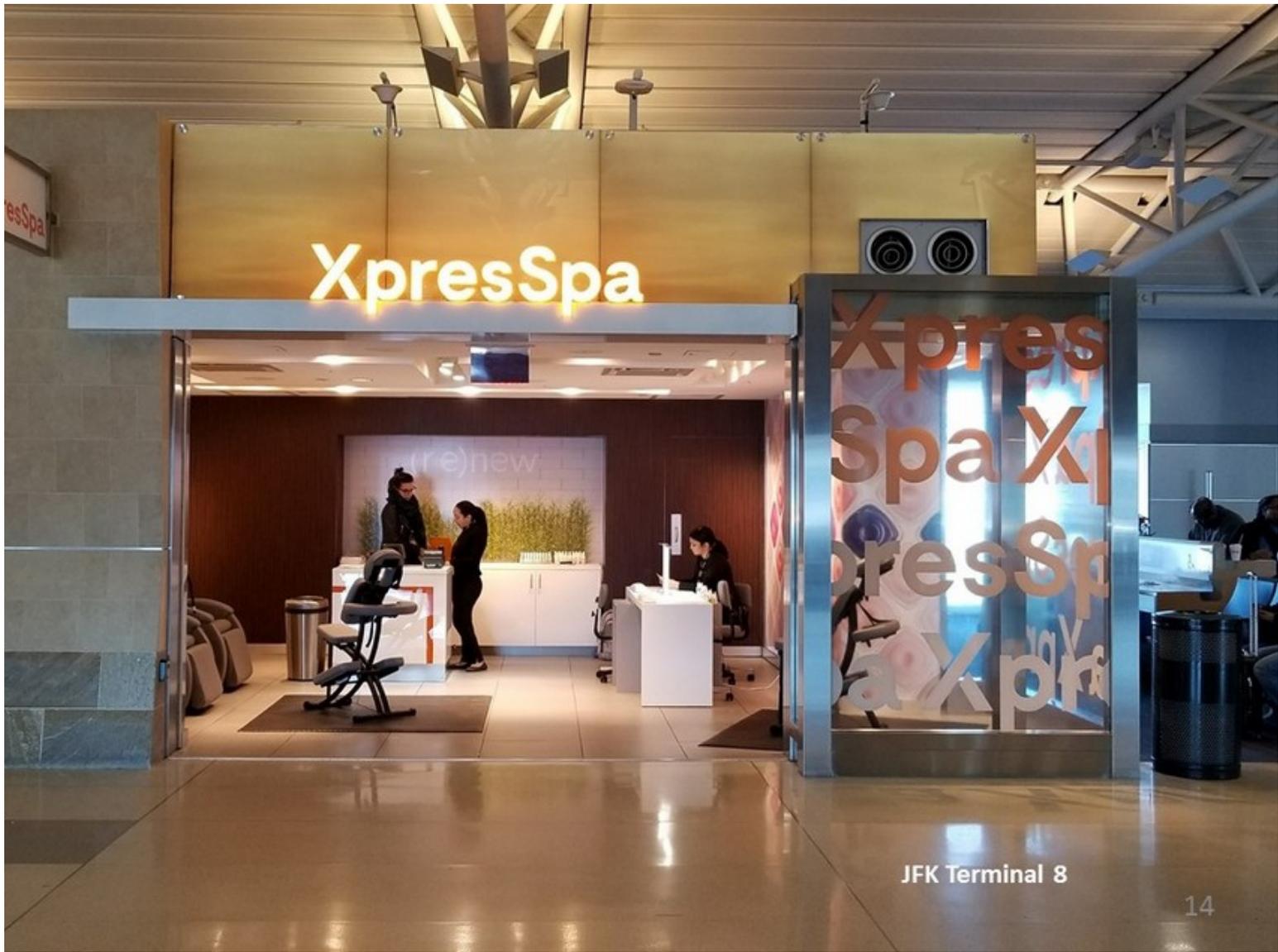
XpressSpa



Atlanta Terminal D



Raleigh-Durham



JFK Terminal 8

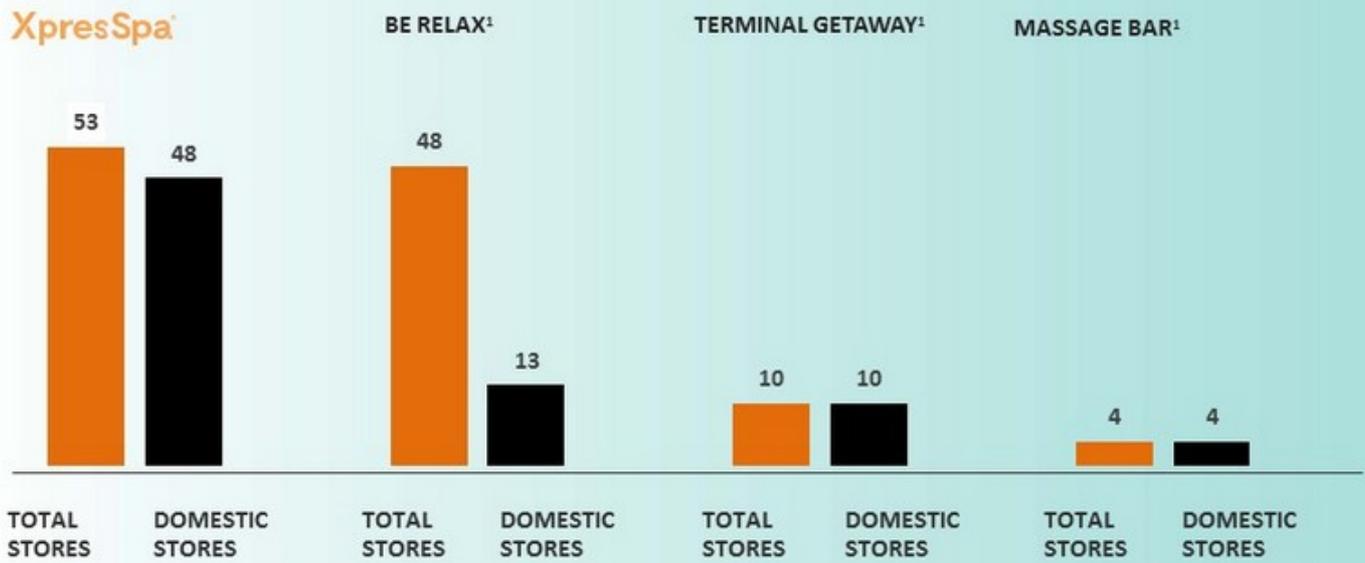
XpresSpa



Amsterdam, Netherlands



Dominant Domestic Market Share Position



¹based on company websites as of 9/4/2019

Strong Unit Level Economics

AVERAGE BOX SIZE	1,034 SQ. FT
AUV / SALES	\$862,733
SALES PER SQ. FT.	\$834
AVERAGE INVESTMENT COST	\$400,000
PAYBACK PERIOD	2.3 years

83% Service Revenue
17% Retail Revenue

Business Priorities

NEARER TERM

- Building teams
- Increasing the average ticket through product assortment and upselling services
- Staffing up through recruiting, training, and retention while managing labor costs more effectively
- Reducing G&A expenditures
- Selectively opening high performing new spas through a strategic approach to development
- Selectively renovating spas to elevate brand perceptions

LONGER TERM

- Elevating the customer experience
- Developing a people first culture
- Activating new partnerships
- Bringing health and wellness innovation to the spas through new products, services, and technology

The Experience Economy & Wellness Industry

- Nearly 1 million XpresSpa customers annually
- XpresSpa services are "not-Amazonable"
- The global wellness industry is a \$4.2 trillion market. ¹
- Millennials Spend Nearly 25% of Disposable Income on Health and Wellness. ²
- Consumer Spending patterns are shifting to experience-based spending. 72% of millennials would rather spend money on experiences than on material goods. ³

¹ Global Wellness Institute, 2018

² Market Wired, 2017

³ Forbes, 2017



XpresSpa is the answer to growing traveler demands

Increased travelers, security and wait times have driven innovation and growth in airport retail

- Travelers at large hub airports typically spend ~137 minutes in the airport after going through security.¹
- Nearly 20% of flights were delayed in 2018.²

Premium concepts like XpresSpa are suited for typical traveler demographic

- Frequent fliers (23% of travelers) have a HHI > \$100,000.³
- 70% of purchases occur on impulse because these affluent customers are bored, rushed, and stressed.⁴

Airport infrastructure spending is increasing

- \$1.2-1.5 trillion is expected to be spent on global airport infrastructure development up to 2030.⁵

¹Aviation Pros, 2017

²TRANSTATS, 2018

³Arbitron

⁴Airport Revenue News

⁵New Market Research & Micro Market Monitor

Significant Growth Opportunities

COMPARABLE STORE

- Better employee recruitment / retention
- Improve labor optimization
- Calm strategic partnership
- Improve store productivity
- Roll-out new store design
- Improve in-store technology
- Improve corporate culture

EXPANSION

- Further penetration of U.S. airport locations
- International airport locations
- Franchising – first location opening Q3 2019
- Leverage real estate value through strategic marketing partnerships
- Other strategic partnerships

Strategic Partnership with Calm, the Leading Sleep, Mediation, and Relaxation App



- Strategic preferred equity investment in XpresSpa
 - Capital being used to raise brand profile while enhancing customers' experience
- Gained access to Calm's substantial and growing 50 million subscriber base that are interested in health and wellness
- Demonstrates the inherent value of our industry-leading platform

XpresSpa Group

a preeminent
pure-play health and wellness
services company

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