

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): June 14, 2023

XCEL BRANDS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

1333 Broadway, New York, New York
(Address of Principal Executive
Offices)

001-37527
(Commission File
Number)

76-0307819
(IRS Employer Identification
No.)

10018
(Zip Code)

Registrant's telephone number, including area code (347) 727-2474

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- 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.

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	XELB	NASDAQ Global Select Market

Item 7.01 Results of Operations and Financial Conditions

A copy of an investor presentation is furnished herewith as Exhibit 99.1.

The information furnished pursuant to Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

The furnishing of the information under Item 7.01 in this Current Report on Form 8-K is not intended to, and does not, constitute a determination or admission by the Company (i) that the furnishing of the information in this Item 7.01 is required by Regulation FD, (ii) that the information under Item 7.01 in this Current Report on Form 8-K is material or complete, or (iii) that the investors should consider this information before making an investment decision with respect to any security of the Company.

This Form 8-K contains “forward-looking statements” within the meaning of the safe harbor provisions of the federal securities laws. It should be read in conjunction with the “Safe Harbor” statement contained in the presentation material and the risk factors included in the Company’s periodic reports filed with the Securities and Exchange Commission that discuss important factors that could cause the Company’s results to differ materially from those anticipated in such forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[99.1](#) [Xcel Brands Investor Presentation](#)
104 Cover Page Interactive Data File (embedded within the inline XBRL document).

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.

XCEL BRANDS, INC.
(Registrant)

By: /s/ James F. Haran

Name: James F. Haran
Title: Chief Financial Officer

Date: June 14, 2023



XCEL

INVESTOR PRESENTATION

42 St- t ark
Statio

NASDAQ: XELB

XCE

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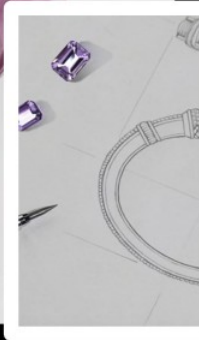
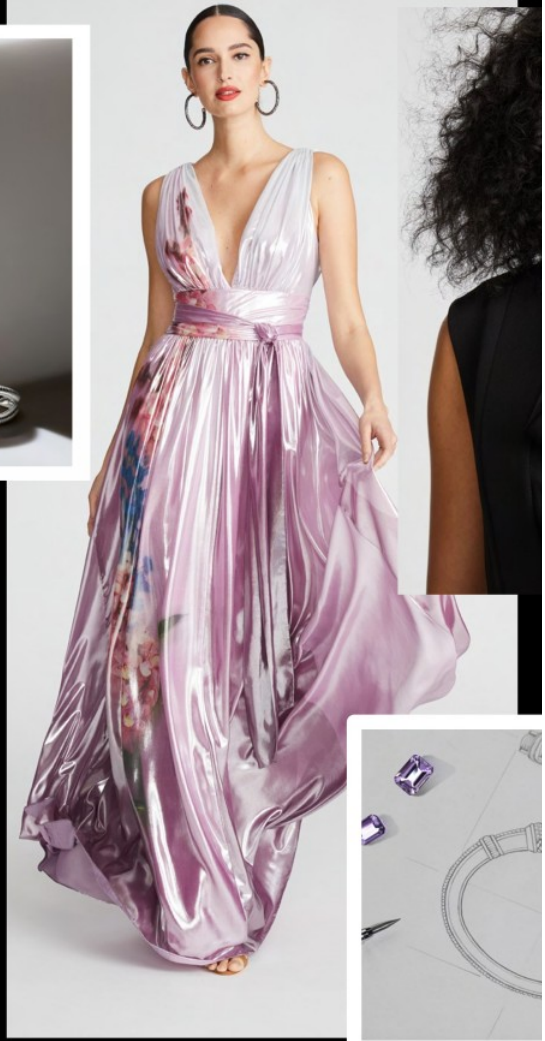
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OUR OVERVIEW



ROBERT D'LOREN, CEO

**XCEL IS A
CONSUMER PRODUCT
AND SOCIAL
COMMERCE COMPANY
GENERATING
APPROXIMATE
\$600 MILLION
ANNUAL
RETAIL SALES**

*“We imagine shopping,
entertainment and
social media as one thing”*

- ROBERT D'LOREN, CEO



EXECUTIVE SUMMARY

LEADER IN SOCIAL COMMERCE

\$4BB in cumulative retail sales in Live and Social Commerce, approximately annual retail sales in 2022 across our 10,000 hours of Live-Stream program

PROPRIETARY TECHNOLOGY

Industry-leading proprietary Social Commerce technology designed to drive audience engagement and sales of products

CREATIVE POWERHOUSE

Highly experienced creative services expertise in Concept Development, Merchandising, Marketing, and Live & Social Media content production

FINANCIAL STRENGTH

Working capital light business model, which prior to 2020 and the economic impact from Covid -19, a historical track record of revenue and Adjusted EBITDA growth, which has enabled investments in our brands and technology

PROFITABLE BUSINESS MODEL

Strong cash flow generation beginning 2H'23 and beyond

SIGNIFICANT OPPORTUNITIES

Significant growth opportunities across existing brand portfolio fueled by new partnerships with dominant market players, new businesses driven by Live Stream and Social Commerce, and future acquisitions to further our prominence in the quickly growing Social Commerce channels



OUR EVOLUTION



2011 - 2016 BUILDING THE FOUNDATION

Acquired Isaac Mizrahi, Judith Ripka, Halston and C. Wonder
 Significant growth across our brands in Direct-Response Television and licensing
 Over \$1BB of Live Stream Shopping sales at retail



2017 - 2022 EXPANDING INFRASTRUCTURE

Acquired Longaberger, Lori Goldstein
 Winner QVC Apparel Vendor of the year
 Over \$5MM of infrastructure investments for wholesale, direct-to-consumer, and Social Commerce
 Partial divestiture of Isaac Mizrahi at a \$70MM valuation and 99%+ annual Return on Equity
 Approaching \$4BB of cumulative Social Commerce sales at retail



OUR EVOLUTION

2023 - FORWARD

LEADING SOCIAL COMMERCE PLATFORM

Planned launch of Social Commerce marketplace adding new brands to our platform through incubation, partnerships and future ac
Development and expansion of new and existing brands across all channels of distribution through Live Stream and Social Commerce



2023 - FORWARD

OUR CORE BRANDS

JUDITH RIPKA

LOGO
LORI GOLDSTEIN

HALST

ISAAC MIZRAHI

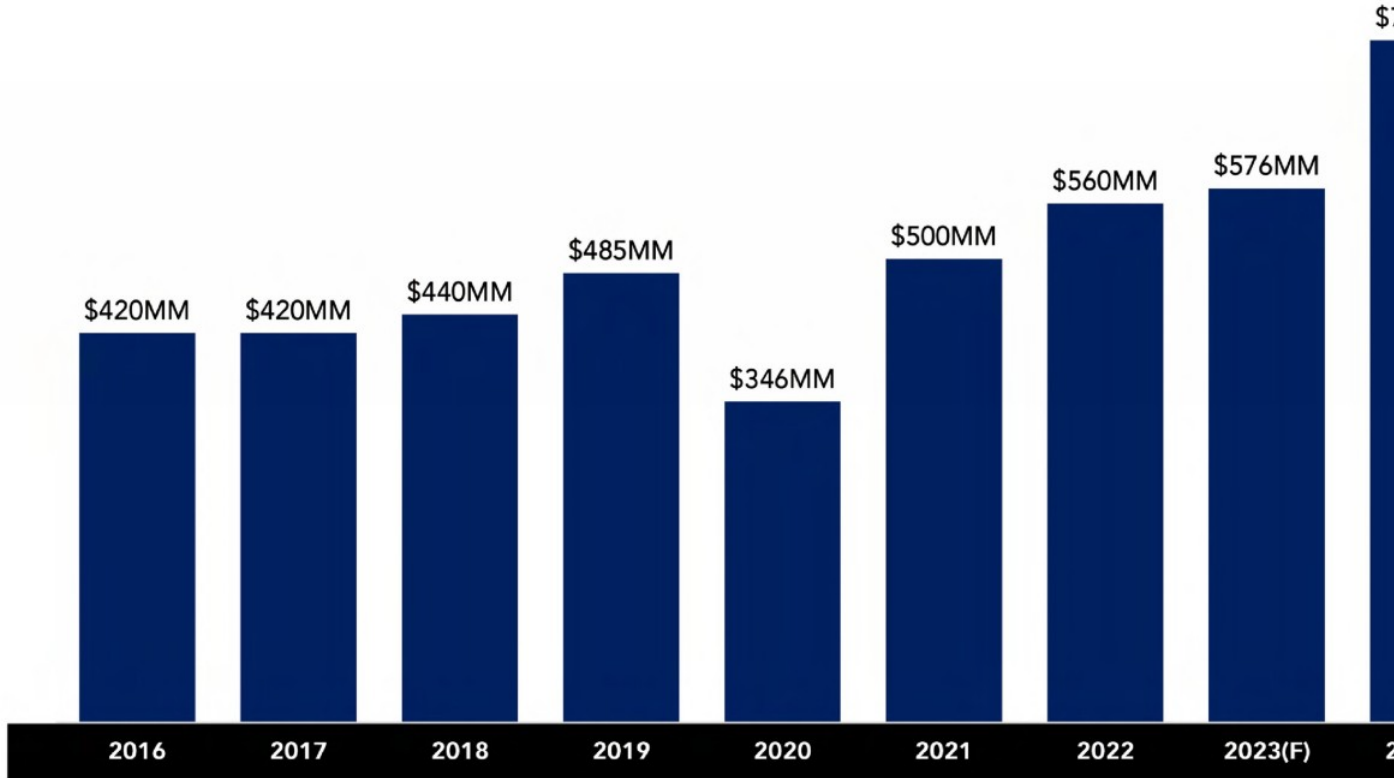
WONDER
by CHRISTIAN SIRIANO

Longaberger

Note: All brands are fully owned by Xcel Brands Inc. other than (i) Isaac Mizrahi which represents a minority interest retained ownership and (ii) Longaberger which represents a 50% ownership position in the business by Xcel.

SALES AT RETAIL

WE OWN STRONG BRANDS THAT RESONATE WITH CONSUMERS

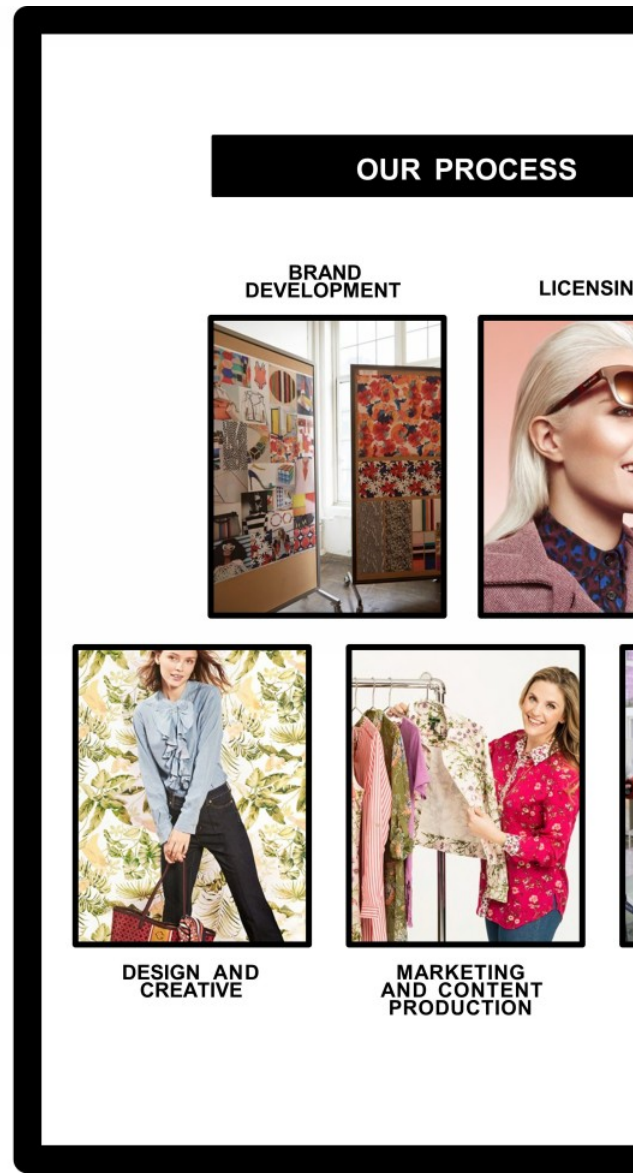


Retail Sales include actual retail sales where reported, as well as estimates based on a combination of our net wholesales and reported net wholesales of our licensees, converted to estimated retail sales applicable rate. Estimated retail sales of our brands does not reflect the Company's revenues and adjusted EBITDA for these periods. Refer to Slide 28 for detail on the Company's revenues and Adjust

THE BUSINESS MODEL

BUSINESS MODEL OVERVIEW

XCEL has built a working capital light operating and technology platform designed to build brands and drive sales through Live-Streaming and Social Commerce



THE RISE OF SOCIAL COMMERCE

Billions are now up for grabs as ecommerce, live streaming, and social media are evolving into Social Commerce marketplaces powered by short form video content, with an estimated 20% of all online sales expected to be driven by social commerce by 2026⁽¹⁾

As compared with traditional digital marketing where customer acquisition has become increasingly expensive, companies who have successfully implemented Social Commerce have reported an increase in **conversion rates of 10X**

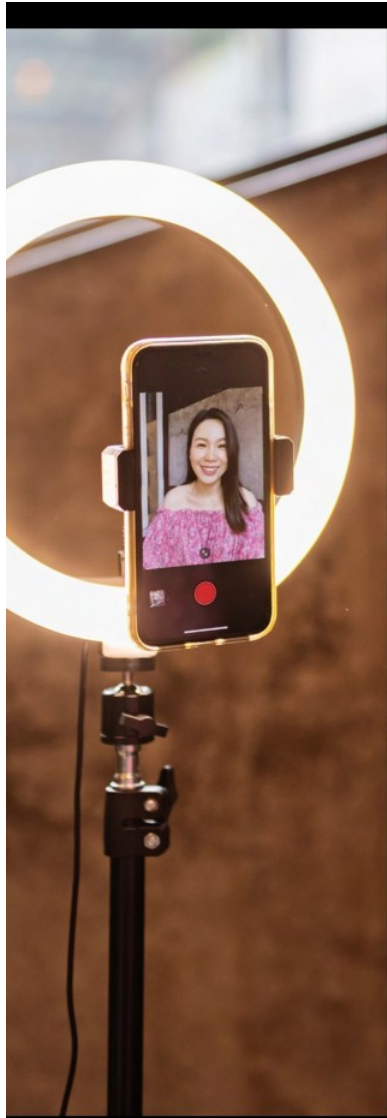
84% of consumers report being convinced to buy a product or service by watching a brand's video, and 93% of brands report they've acquired new users via video on social media⁽²⁾

Coresight Research estimates the U.S. Live Stream and Social Commerce market will reach **\$35 billion in sales by next year (2024)**, representing 3.3% of all ecommerce and a CAGR of 78%⁽²⁾

(1) Source: eMarketer, E-Commerce Strategy

(2) Source: Coresight





66%

OF USERS ARE MORE LIKELY
TO BUY FROM A BRAND
IF THEY CAN ACCESS
A COMMUNITY BUILT
AROUND IT

43%

OF USERS ARE MORE LIKELY
TO TRY SOMETHING
NEW AFTER SEEING IT
DEMONSTRATED LIVE
AT LEAST ONCE ON A
PLATFORM

Source: Essence, Social Commerce Report, Nov2021

SOCIAL COMMERCE TECH

We have created a multi-brand video content platform with the shippers, creators, and influencers fees based on conversions.

It combines live streaming, e-commerce and social media in one seamless commerce platform which drive discovery.

A complete in-app experience the purchase intent and overall journey.

GROWTH OPPORTUNITIES

KEY GROWTH STRATEGIES

GROW EXISTING BRANDS

SOCIAL COMMERCE
OPPORTUNITIES

PURSUE AQUISITIONS



HALSTON

June 2023, new partnership announced with GIII Apparel Group

An industry-leading public company with sales over \$2BB annually, is expected to grow the brand over the next several years with substantial investments and brand marketing

Ken Downing as Creative Director, relaunching the brand in premium distribution(i.e., Neiman Marcus, Saks) for Spring 2024

Men's collection planned for 2025 Significant expansion in DTC and Social Commerce



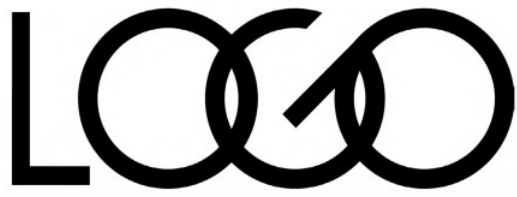


JUDITH RIF

New partnership with JTV , an industry leader in jewelry Live Stream commerce with \$500MM of annual retail sales who will carry the Live Stream, wholesale, and D2C

900% growth in revenues from 2019-2020 by continued growth of independent distribution and Live Streaming sales

Growing licensing categories include fragrance and home fragrance which will generate additional royalty revenue



LORI GOLDSTEIN

QVC business back on a strong growth trajectory
for 2023 with regular shows in primetime

New collection for better retailers in
development

Expansion through licensing, DTC and Social
Commerce

Raising brand awareness through collaborations,
most recently with AnaOno and Smiley



WONDER by CHRISTIAN SIRIANO

Christian Siriano as new Creative Director
announced 1Q'23

Relaunched on HSN in 2Q'23 with extremely high
engagement and aggressive growth planned

New categories planned to launch in 2024
including handbags, footwear, jewelry, seasonal
accessories and travel





ISAAC MIZRAHI

New D2C website launched in 2018
boasts high engagement

New sportswear license signed in 2018
for distribution outside of QVC & Home
through DTC website

International partners and new
categories in discussion

Remains top performing design
apparel brand in Direct Direct-Res
Television channel

Xcel owns 30% interest in a joint venture which owns and
operates the Isaac Mizrahi brand



Longaberger

Premium social commerce and Live home products company with over 5 influencers as stylists and 300,000 cu

Significant growth potential through marketing efforts, stylist recruiting, expansion of vendors

Additional growth opportunities through licensing and international expansion

Xcel owns 50% interest in a joint venture that owns and operates the Longaberger brand.



SOCIAL COMMERCE OPPORTUNITIES

NEW SOCIAL-COMMERCE DRIVEN BRANDS

We are currently developing new brands in collaboration with designers and other influencers who have millions of followers, positioned to succeed in Live Stream and Social Commerce. We plan to launch 2-4 new brands in the next 12 to 18 months.

SOCIAL COMMERCE MARKETPLACE

We expect to launch a social commerce marketplace and app in 1Q'24, which will feature well-known designer brands as well as Xcel's own brands. The marketplace will harness the power of social commerce technology, creating an engaging platform for shoppers and brands.

AQUISITIONS

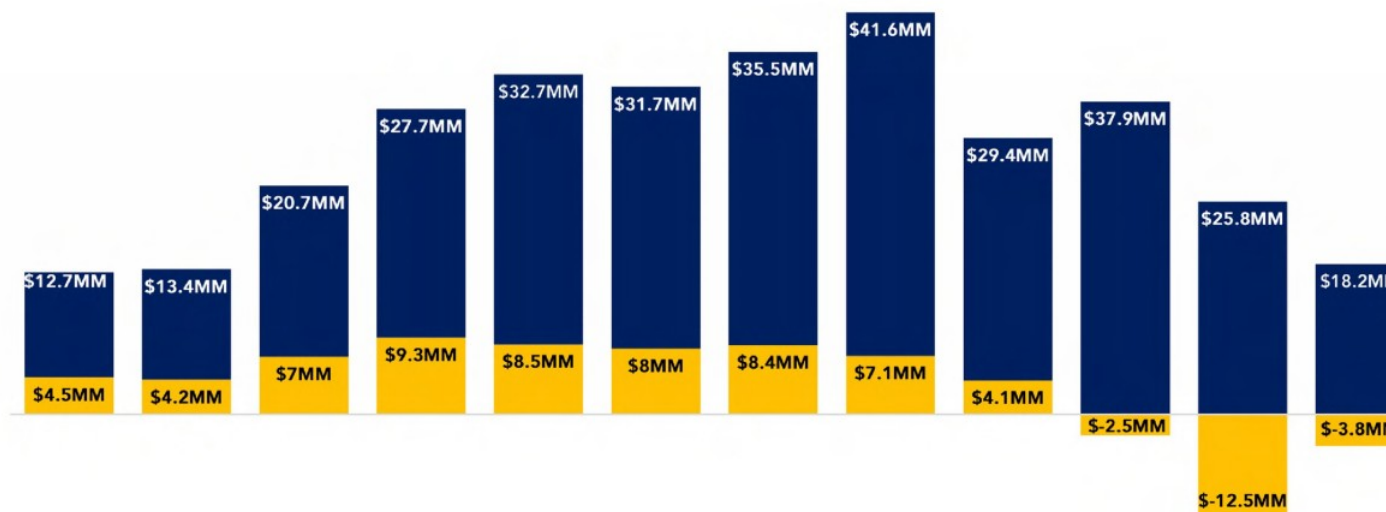
Since 2011 we have sought the acquisition of brands and businesses that we believe we can grow Social Commerce, with an average of one acquisition every two years.

We seek to divest and/or harvest our brands where we can generate significant returns for our shareholders with our 2022 sale of a majority stake in Isaac Mizrahi generating an excess of 99% Return on Equity.



FINANCIAL OVERVIEW

REVENUE AND ADJUSTED EBITDA



2012

2013

2014

2015

2016

2017

2018

2019⁽¹⁾

2020⁽²⁾
COVID-19

2021⁽²⁾
COVID-19

2022⁽²⁾⁽³⁾
COVID-19

2023⁽⁴⁾

(1) Launched wholesale divisions in jewelry and apparel to enhance brands

(2) Invested over \$5MM in technology and systems from 2020-2022

(3) Sold Isaac Mizrahi in May 2023, resulted in revenue reduction of \$16MM and EBITDA reduction of approximately \$6.8MM

(4) Restructure resulted in \$13MM annual decrease in operating expenses. For Q1 2023 and forecasted year-end 2023, there is an adjustment to add back to Adjusted EBITDA losses from the wholesale apparel Longaberger businesses, and the costs associated with the transition of these businesses to our new licensing partners. There were no adjustments for periods prior to 2023, or after 2024 as the transition is completed in 2023.

BALANCE SHEET HIGHLIGHTS

	2019	2020	2021	2022	1Q'23
Cash ⁽¹⁾	\$ 4,641	\$ 4,957	\$ 4,483	\$ 4,608	\$ 6,612
Current Assets	17,566	16,147	17,179	14,020	16,712
TOTAL Assets	143,191	123,054	125,781	88,935	89,161
Current Liabilities ⁽²⁾	\$ 8,085	\$ 8,215	\$ 9,310	\$ 5,185	\$ 6,581
Operating Lease Obligations	11,525	10,570	8,459	7,215	6,926
TOTAL Liabilities⁽³⁾	32,314	25,329	34,841	5,185	6,581
Working Capital incl. Cash ⁽⁴⁾	\$ 9,481	\$ 7,932	\$ 7,869	\$ 8,835	\$ 10,131
Working Capital excl. Cash	4,840	2,975	3,386	4,227	3,519
Current Ratio	2.2x	2.0x	1.8x	2.7x	2.5x

\$,000's U.S.

⁽¹⁾ Cash, for 1Q 2023 presented in the preceding table has been adjusted for the payment received subsequent to the end of the first quarter from the GIII I

⁽²⁾ Current liabilities are presented exclusive of the current portion of operating lease obligations.

⁽³⁾ Total liabilities are presented exclusive of operating lease obligations, deferred revenues related to the G-III Master License, and contingent obligations. Operating lease obligations are reduced and expensed in the ordinary course of business through rent payments.

Contingent obligations are payable only upon achieving specific financial targets, whereby there is no certainty they will be achieved in whole or in part.

⁽⁴⁾ Working Capital represents Current Assets less Current Liabilities as defined in this presentation.

XCEL

NASDAQ: XELB

INVESTOR RELATIONS CONTACT:
IR@XCELBRANDS.COM



EXHIBIT A RECONCILIATION OF ADJUSTED EBITDA

Xcel Brands, Inc. and Subsidiaries Reconciliation of Adjusted EBITDA For the Year Ended December 31, (Unaudited)

(amounts in thousands)	2017	2018	2019	2020	2021	2022	2023 Q1	2023 YE
Net Income (loss)	(\$10,122)	\$1,088	(\$3,445)	(\$12,936)	(\$12,184)	(\$4,018)	(\$5,643)	(\$10,122)
Depreciation and amortization	1,562	1,780	3,902	5,497	6,830	7,263	1,797	1,797
Proportional share of trademark amortization of equity method investee	-	-	-	-	-	1,202	515	515
Interest and finance expense	1,347	1,011	1,285	1,193	3,579	1,203	25	25
Income tax provision (benefit)	(447)	1,831	(642)	(4,518)	(3,106)	(431)	-	-
State and local franchise taxes	107	113	197	145	142	102	21	21
Stock-based compensation	3,184	1,788	976	850	720	620	57	57
Loss on extinguishment of debt	-	-	189	-	-	2,324	-	-
Gain on reduction of contingent obligations	-	-	(2,850)	-	-	(900)	-	-
Costs in connection with potential business combination	-	-	1,290	(158)	-	-	-	-
Non-recurring facility exit charges	-	799	-	-	-	-	-	-
Certain adjustments to allowance for doubtful accounts	-	-	-	971	132	413	-	-
Goodwill & other impairment	12,371	-	6,200	13,113	1,372	274	-	-
Gain on the sale of assets	-	-	-	(46)	-	(20,586)	-	-
Loss on wholesale apparel, jewelry and Longaberger operations *	-	-	-	-	-	-	1,204	1,204
Adjusted EBITDA	\$8,002	\$8,410	\$7,102	\$4,111	(\$2,515)	(\$12,534)	(\$2,024)	(\$2,024)

For Q1 2023 & YE 2023, there is an adjustment to add back to Adjusted EBITDA from the wholesale apparel, jewelry and Longaberger businesses, and the costs associated with the transition of these businesses to our new licensing partners. There were no adjustments for periods prior to 2023, or after 2024 as the transition is expected to be fully completed in 2023.