

XpresSpa Group

a preeminent
pure-play health and wellness
services company

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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

Over 50% market share in the U.S.

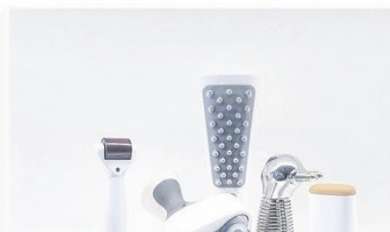
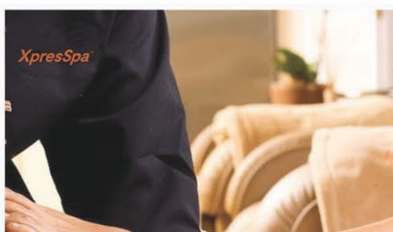
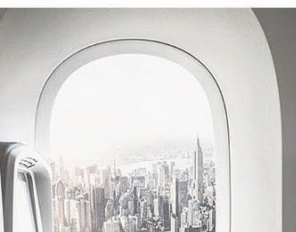
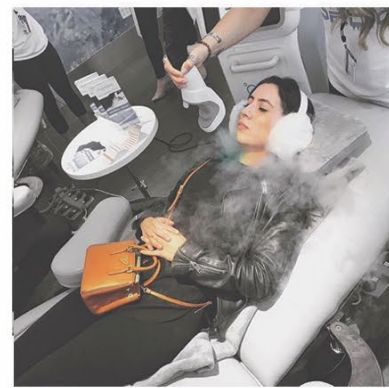
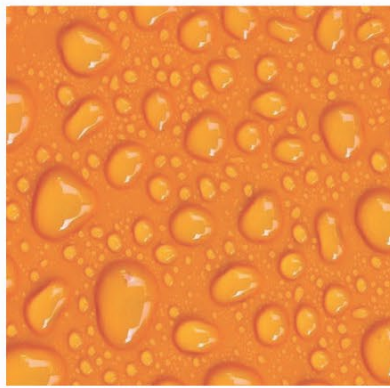
- Perfected the fast-spa format
- We win approximately 75% of RFPs
- 54 company-owned locations (48 domestic in-airport, 1 streetside, 5 international in-airport)
- Market opportunity of 170 company-owned in-airport domestic locations
- Additional franchising and international opportunities


Investment Highlights

- **We dominate** the domestic market
- Attractive **Unit Economics**
- Vast **Expansion Potential**
 - In-airport, domestic, company owned and franchised
 - In-airport, international, company owned and franchised
- New **Leadership** spearheading business improvements
- Approaching **Inflection Point** to Adjusted EBITDA Profitability
 - Reducing store-level and overhead costs
 - Implementing technology-based process improvements



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 Group

"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 Chief Executive Officer, Joe Coffee Company
- Former Chief Executive Officer, Le Pain Quotidien - US
- Former Senior Vice President, Starbucks Coffee - EMEA
- Former Vice President, Starbucks Coffee - US License Stores (Airports, Lodging, Universities, Healthcare, Offices)



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

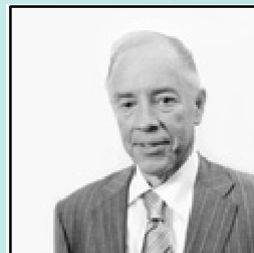
- Former Senior Director of Stores, Luxottica Luxury
- Former Regional Director, Godiva
- Former Regional Manager Safilo/Solstice

Board of Directors



BRUCE BERNSTEIN
Chairman of the Board

- President, Rockmore Capital, LLC
- Former Co-President, Omicron Capital, LP
- Former President, Fortis Investments Inc.
- Current Board Member, Summit Digital Health
- City University of New York (Baruch), B.B.A.



DONALD STOUT
Director

- Co-founder, NTP Inc.
- Partner, Antonelli Terry Stout & Kraus LLP
- Former patent examiner, USPTO
- Pennsylvania State University, B.S.; George Washington University, J.D.



SALVATORE GIARDINA
Director & Chair of Audit Committee

- CFO Pragma Weeden Holdings LLC
- Former SVP & CFO, G-Trade Services & ConvergeX Global Markets
- Former EVP, CFO & Controller, Ladenburg Thalmann & Co.,
- Current Director & Audit Committee Chair, National Holdings Corporation



ANDREW HEYER
Director

- Managing Partner & CEO, Mistral Equity Partners
- Founder & Partner, Trimaran Capital Partners
- Vice Chairman, CIBC World Markets
- Founder & Partner, The Argosy Group
- Managing Director, Drexel Burnham Lambert
- University of Pennsylvania, B.S.; The Wharton



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Director

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Established Airport Presence



2019 Development

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

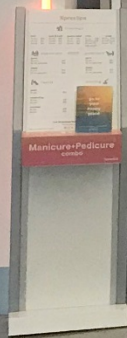


XpresSpa



Atlanta Terminal D

XpresSpa



Raleigh-Durham

XpresSpa

Xpres
Spa X
presSp
a Xpre

JFK Terminal 8

XpresSpa



Amsterdam, Netherlands



XpressSpa
MASSAGE - HAIR - MANICURE - PEDICURE - SKIN CARE - WAXING

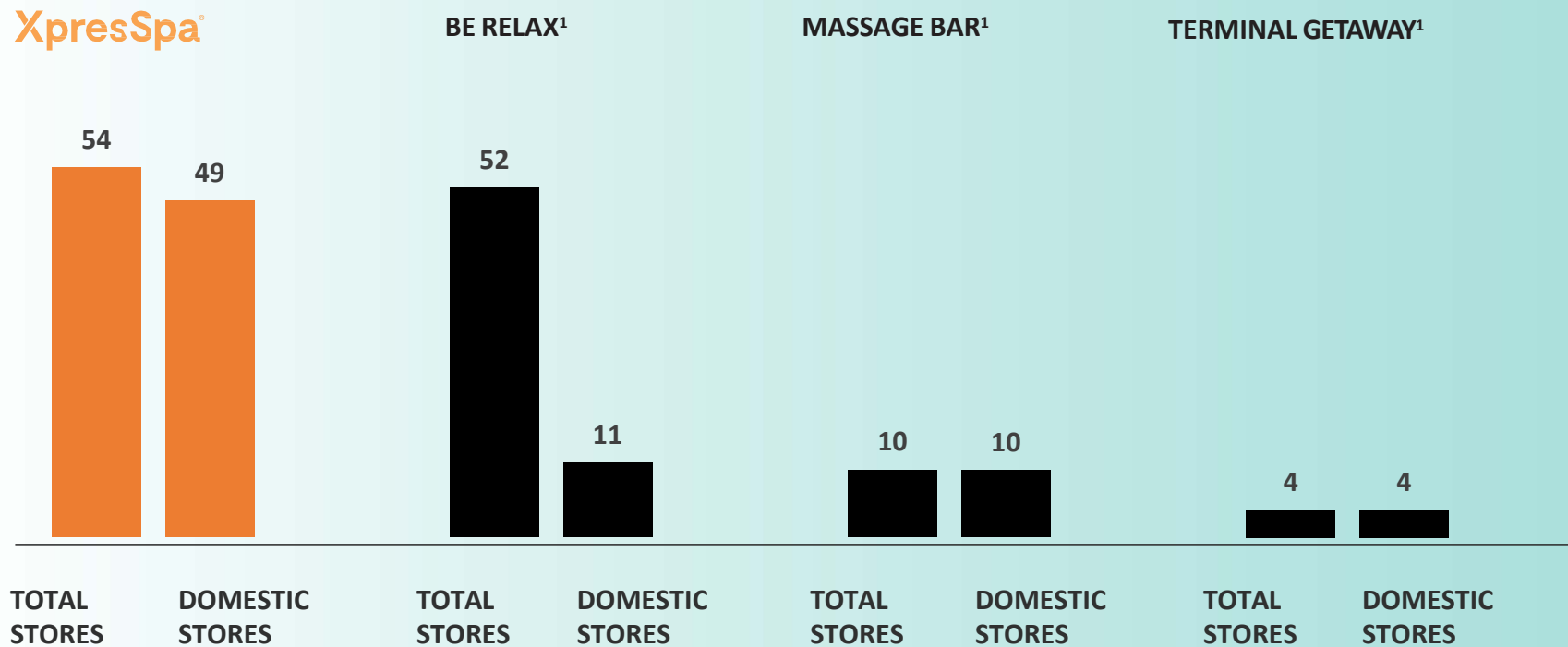
XpressSpa

Dubai, UAE



First off-airport location at World Trade Center

Dominant Domestic Market Share Position



¹based on company websites as of 6/4//2019

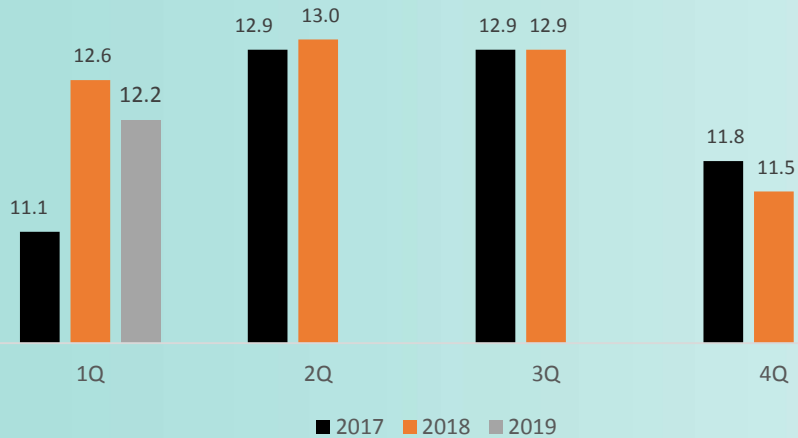
Strong Unit Level Economics

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

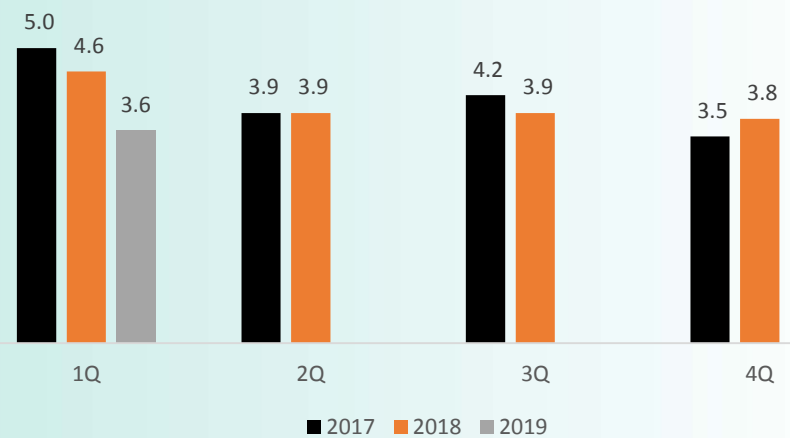
83% Service Revenue
17% Retail Revenue

Recent Financials

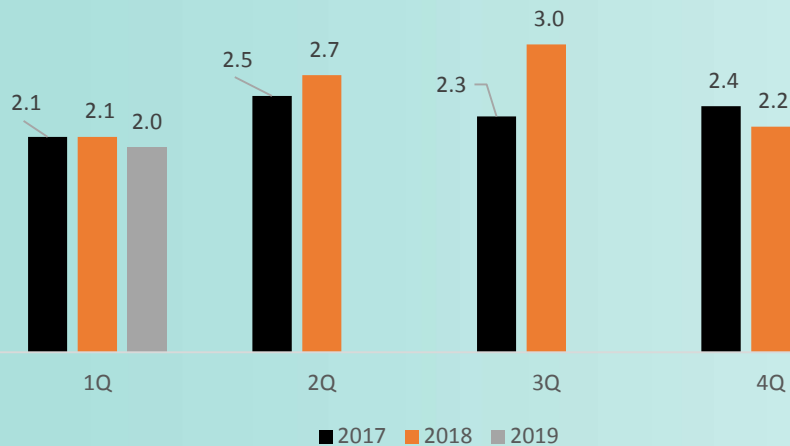
REVENUE



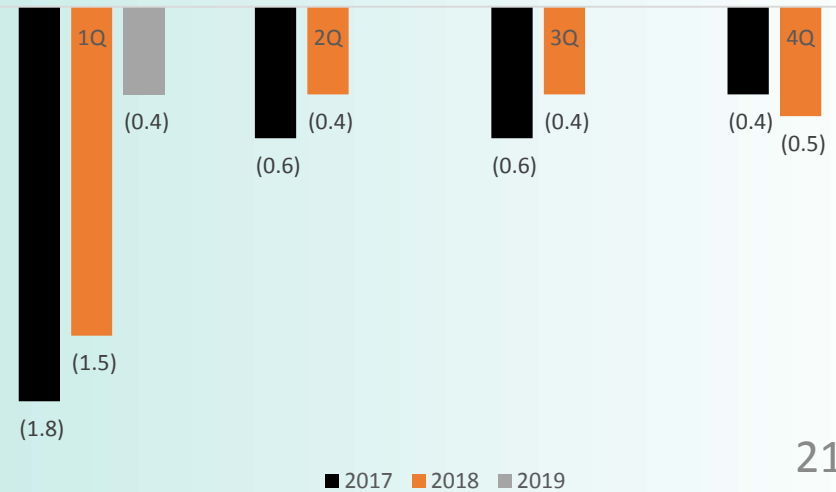
G&A



STORE CONTRIBUTION



ADJUSTED EBITDA LOSS



2018 / 2019 Accomplishments

- Opened Eight Locations
- Strengthened financials by streamlining costs
- Strategic partnership with Calm
- Signed first franchisee – opening in Q3 2019
- Recruited top talent for corporate and field teams
- Improved technology in stores
- **Positioning ourselves to achieve positive adjusted EBITDA**

Business Priorities

NEARER TERM

- Building transactions through scheduling, loyalty, and launching an XpresSpa App
- Increasing the average ticket by fixing retail supply chain issues and upselling services
- Staffing up through recruiting, training, and retention while managing labor costs more effectively
- Selectively opening high performing new spas through a strategic approach to development
- Selectively renovating spas to elevate brand perceptions
- Reducing G&A expenditures

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

XpresSpa Group

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
- Brand extension: XpresRecover focused on technology-driven wellness

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



- Strategic investment in XpresSpa of \$3 million in preferred equity
 - Capital 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

The Benefits of Partnership

- Promote the Calm app within our spas as part of our revenue sharing agreement
- Integration of flagship retail products
 - Digital App Subscriptions
 - Calm Book
 - Sleep Mist



XpresRecover

Brand Extension

Featuring:

- cryotherapy
- compression therapy
- salt chambers
- extended specialty retail



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services company