

**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 14, 2021

DESTINATION XL GROUP, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

01-34219

(Commission File Number)

04-2623104
(IRS Employer
Identification No.)

**555 Turnpike Street,
Canton, Massachusetts**
(Address of Principal Executive Offices)

02021
(Zip Code)

Registrant's Telephone Number, Including Area Code: (781) 828-9300

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 Instructions 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))

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	DXLG	NASDAQ Stock Market LLC

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.

Destination XL Group, Inc. (the “Company”) has updated its Investor Presentation, which will be used by the Company in upcoming meetings with investors. A copy of the Investor Presentation is furnished herewith as Exhibit 99.1 and will also be available on the Company’s website at investor.destinationxl.com

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.

99.1

Description

[Investor Presentation - September 2021.](#)

104

Cover Page Interactive Data File – The cover page interactive data file does not appear in the interactive data file because its XBRL tags are 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.

Date: September 14, 2021

By:

DESTINATION XL GROUP, INC.

/s/ Robert S. Molloy
Robert S. Molloy
General Counsel and Secretary

INVESTOR PRESENTATION

September 2021

DXL GROUP



This presentation regarding Destination XL Group ("the Company", "Destination XL", "DXLG", "we", "us" or "our") is strictly confidential and is for you to familiarize yourself with the Company. This presentation contains information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events, referred to herein and which constitute "forward-looking statements" or "forward-looking information" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this document, regarding our strategy, future operations, financial position, prospects, plans and objectives of management are forward-looking statements. Statements containing the words "could", "believe", "expect", "intend", "should", "seek", "anticipate", "will", "positioned", "project", "risk", "plan", "may", "estimate" or, in each case, their negative and words of similar meaning are intended to identify forward-looking statements. By their nature, forward-looking statements involve a number of known and unknown risks, uncertainties and assumptions, most of which are difficult to predict and many of which are beyond the Company's control, concerning, among other things, the Company's anticipated business strategies, anticipated trends in the Company's business and anticipated market share, that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. In addition, even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking information contained in this presentation is based on the Company's current estimates, expectations and projections, which the Company believes are reasonable as of the current date. The Company can give no assurance that these estimates, expectations and projections will prove to have been correct. Given these uncertainties, you should not place undue reliance on these forward-looking statements. All statements contained in this presentation are made only as of the date of this presentation, and the Company undertakes no duty to update this information unless required by law. You are also reminded that during this presentation, certain non-GAAP financial measures, such as Adjusted EBITDA, free cash flow, adjusted net income (loss) and adjusted net income (loss) per diluted share, may be discussed. These measure should not be considered an alternative to net income, cash provided by operating activities, or any other measure of financial performance or liquidity presented in accordance with generally accepted accounting principles (GAAP). These measures are not necessarily comparable to a similarly titled measure of another company. Please refer to our reconciliations of these discussed figures with the most comparable GAAP measures.

OUR MISSION:
TO EMPOWER THE BIG + TALL MAN TO LOOK GOOD + FEEL GOOD.
WE GET HIM. WE RESPECT HIM. WE ROOT FOR HIM.



COMPANY OVERVIEW

Dominant omnichannel retailer, with a long-standing leading position in Big + Tall men's apparel and accessories

- Large and differentiated assortment of apparel and accessories, offered across a large footprint of 297 retail stores in more than 45 states in the U.S.
- Deep knowledge of the end customer results in delivering a Big + Tall shopping experience that provides a precise fit and style
- Thriving digital strategy with ecommerce comprising nearly 30% of total sales
- Strong relationships and expertise in sourcing and product manufacturing
- Effective cost restructuring strategy resulted in improved EBITDA margins and improved cash flow
- Well positioned within the large and growing addressable market (>\$10B) post-pandemic



STRONG PERFORMANCE UNDER CURRENT MANAGEMENT

Management continues to build upon the growing momentum

- Under new leadership in 2019, the Company shifted focus on profitability and market strategy
- Positive net income and free cash flow
- Increases in both revenue and EBITDA
- Reduced debt and strengthened overall balance sheet
- Reduced inventory position
- Implemented new CRM and customer-facing email platform, data and analytics, systems and procedures to effectively manage the business



Harvey Kanter
President and CEO



Peter Stratton
Chief Financial Officer



John Cooney
Chief Accounting Officer

DESTINATION XL GROUP | DXLG

\$250M
1H'21 Revenue

\$43.5M
1H'21 Adj. EBITDA

52%
2Q'21 Gross Margin

22%
2Q'21 EBITDA Margin

87%
Revenue Growth
(1H'21 vs. 1H'20)

\$11M
Total net debt (Jul'21),
vs. \$61m in Aug'20



Our Proprietary Fit. We are different because our fit is different. Our merchandise is specifically made for the Big + Tall customer

Large Merchandise Assortment. Broad, unique, highly-curated and exclusive offering not available elsewhere with merchandise at all price points

Customer Experience. Relationships built through respect, value and trust to enable our customers to build confidence, empowerment and to create a sense of belonging

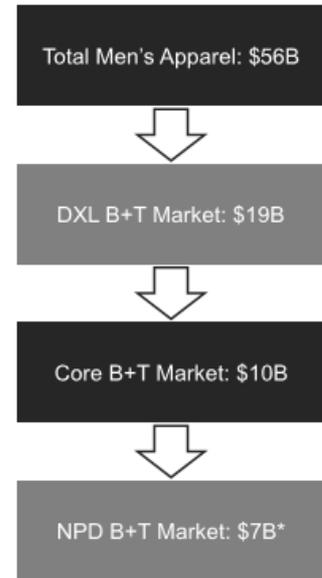
Offering Convenience & Accessibility. Our digital approach and nationwide retail footprint provides our customers with an elevated and highly efficient shopping experience

Premier Sourcing Engine. We have long established relationships and sourcing expertise that allow us to supply products that are met with high demand

LARGE TOTAL ADDRESSABLE MARKET

External market data defines the broadest addressable market through multiple triangulation between \$7B and \$19B for the Big + Tall consumer space, with the Core DXL TAM at \$10B

- 1 Based on all the sizes DXL carries, the estimated DXL Addressable B+T Market is \$19B
- 2 NPD defines the B+T market more narrowly than DXL, resulting in an NPD Addressable B+T Market of only \$7B*
- 3 Through corroboration, DXL and NPD developed a **Core Addressable B+T Market, totaling \$10B**, that includes elements of both DXL's and NPD's Big + Tall market sizing metrics



Market	Market Scope	Market Size	DXL Market Share**
Total Men's Apparel	All Sizes	\$56B	0.9%
DXL B+T Market <i>All Sizes DXL Offers</i>	Sizes: XL+ Waist Sizes: 36"+	\$19B	2.6%
Core B+T Market	Sizes: XXL+ Waist Sizes: 42"+	\$10B	4.9%
NPD B+T Market*	Sizes: 3XL+ Waist Sizes: 46"+	\$7B	7.0%

*Source: The NPD Group/U.S. Consumer Tracking Service/Men's Apparel Dollar Sales, 12 months ending January 2021
 ** Calculated using the low-end of the Company's guidance for fiscal 2021 of \$490 million in revenues.

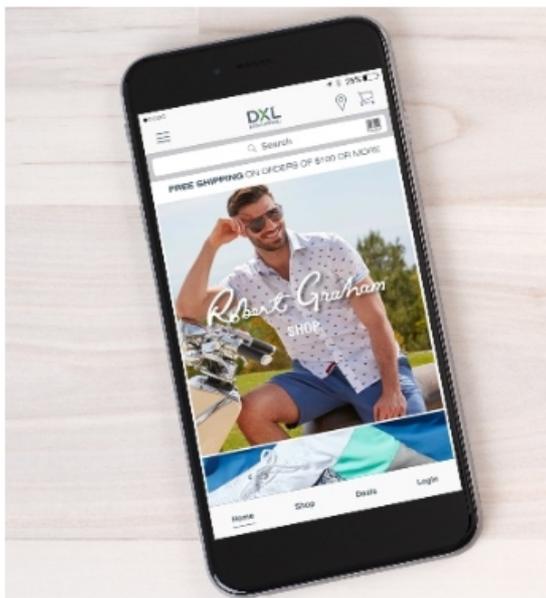
1 Digital Growth

2 New marketing initiatives

3 Relevant merchandising strategy

4 Rightsizing retail store portfolio

5 Managing liquidity and debt



LEVERAGING DTC TO ENHANCE PROFITABILITY

Digital transformation initiatives have successfully positioned DXLG as an omnichannel digital retail company

- Positioned to take market share with new customer acquisition strategy
- Shift in brand positioning to more fully priced apparel
- Attractive online customer demographic
- Increasing mobile app engagement
- Incremental digital and CRM marketing investments through fiscal 2021
- New marketing strategy is adaptive and increases personalization of digital interaction
- A large portion of assortment is now available on digital third-party marketplaces, including Amazon

709%
Increase in mobile app revenue
(2Q'21 vs. 2Q'19)

350 bps
Increase in merchandise margin
(2Q'21 vs. 2Q'19)

73
Net promoter score*

72%
Increase in mobile downloads
(2Q'21 vs. 2Q'19)

66%
DXL.com sales growth
(2Q'21 vs. 2Q'19)

29%
Growth in new-to-file customers
(2Q'21 vs. 2Q'19)

*Source: Medallia

MERCHANDISING STRATEGY

Brand positioning strategy has shifted to more full-price messaging and lower volumes of merchandise discounts



ATTRACTIVE SPECTRUM OF BRAND PARTNERS

Deep assortment of brands targeting multiple, high demand price segments



BEST-IN-CLASS CUSTOMER EXPERIENCE

Being **Empathetic** to our customers' unique needs, our brand is perceived as authentic and genuine and leaves our customer's feeling respected and valued

We create a sense of **Belonging**, thereby building a **Community** of Big + Tall men

- Trusted brand within an under-served market
 - Over 90% of our customers are in the loyalty program
- Diversity and Inclusion are a core competency, enabling personalized experiences
 - Net promoter score of 73
- Industry leading levels of customer satisfaction
 - We have a low sales return rate of 7% on ecommerce sales, as compared to an industry average of 20%¹



¹shopify.com

DXL apparel provides a unique fit and highly differentiated products for Big + Tall customers

We Simply Are A Better Fit

Industry experts

- Our universal fit withstands more weight and pressure than normal garments

Product development

- Big + Tall competitors lack our technical capabilities and expertise

Exceptional fit & design

- Big + Tall is our core competency, not just an extension of regular sizes

Best in class style & quality

- Our manufacturers have deep expertise and superior equipment

Sourcing, speed & quality manufacturing

- Our featured third-party brands also leverage our fit because of consumer trust in our product



KEY INVESTMENT CONSIDERATIONS

- 1** Dominant market leader in Men's Big + Tall, an attractive segment with strong industry trends and sustaining characteristics
- 2** Omnichannel focus with DTC sales comprising roughly 30% of total sales
- 3** Solid progress and well-positioned both financially and strategically post-pandemic
- 4** Record breaking financial performance
- 5** Deep & experienced management team



Annual Revenue



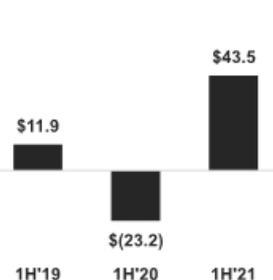
First Half Revenue



Annual Adj. EBITDA



First Half Adj. EBITDA



Net Debt



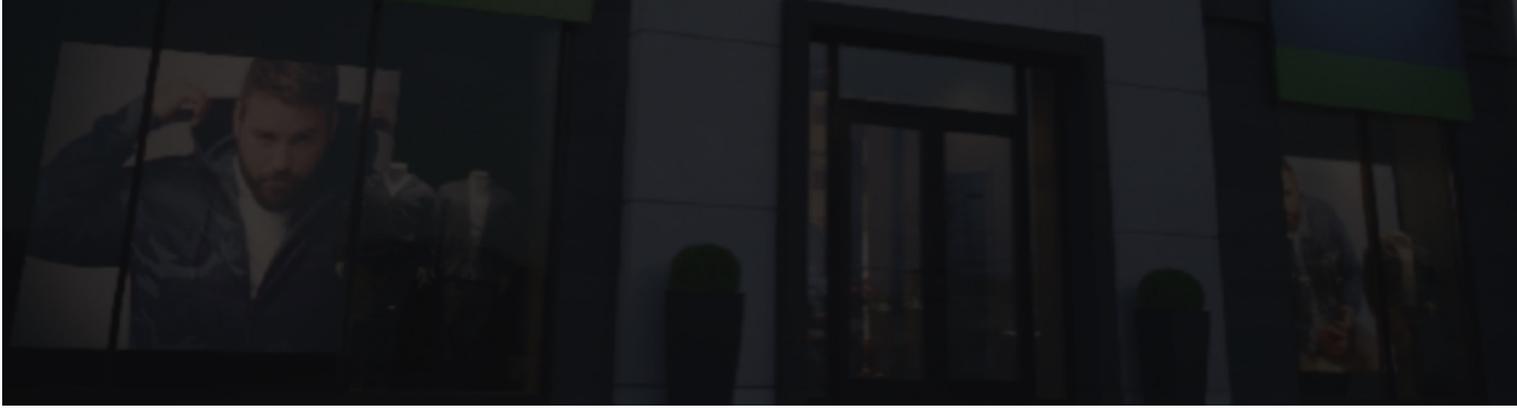
Commentary

Key Growth Drivers and Margin Opportunities:

- Enhanced digital and DTC initiatives
- Reformulated merchandising strategy
- Margin accretive digital investments
- Rightsizing our store portfolio
- SG&A cost efficiencies

DXL
MENS APPAREL

APPENDIX



SECOND QUARTER 2021 RESULTS



Highlights:

	For the three months ended,			For the six months ended,		
	August 3, 2019	August 1, 2020	July 31, 2021	August 3, 2019	August 1, 2020	July 31, 2021
Store Count				328	317	297
Sales (\$M)	\$ 123.2	\$ 76.4	\$ 138.6	\$ 236.2	\$ 133.7	\$ 250.1
Growth %	NA	(38.0)%	81.3%	NA	(43.4)%	87.1%
Adjusted EBITDA (\$M)	\$ 7.1	\$ (4.3)	\$ 29.8	\$ 11.9	\$ (23.2)	\$ 43.5
Margin %	5.8%	(5.7)%	21.5%	5.0%	(17.4)%	17.4%
Net Income (Loss) (\$M)	\$ 0.0	\$ (10.7)	\$ 24.5	\$ (3.0)	\$ (52.4)	\$ 33.1
2021 Comp Sales (Growth %)	21.6%	97.2%		13.1%	98.0%	
Gross Margin (% of sales)	44.3%	28.1%	51.7%	44.0%	26.0%	49.0%
SG&A (% of sales)	38.5%	33.7%	30.1%	39.0%	43.3%	31.5%
Diluted EPS	\$ 0.00	\$ (0.21)	\$ 0.36	\$ (0.06)	\$ (1.03)	\$ 0.50
Adjusted Diluted EPS	\$ 0.00	\$ (0.15)	\$ 0.27	\$ (0.04)	\$ (0.52)	\$ 0.37

FISCAL 2021 FULL-YEAR GUIDANCE

The Company expects to return to positive Adjusted EBITDA and positive free cash flow in fiscal 2021:

<i>(in millions, except per share data)</i>	FY 2019	FY 2020	Guidance	
			Low	High
	FY 2019	FY 2020	FY 2021	FY 2021
Total Sales	\$ 474.0	\$ 318.9	\$ 490.0	\$ 505.0
Net Income (Loss) per Diluted Share	\$ (0.16)	\$ (1.26)	\$ 0.64	\$ 0.76
Adjusted EBITDA	\$ 23.5	\$ (24.2)	\$ 65.0	\$ 72.0
Free Cash Flow	\$ 2.4	\$ (5.5)	> \$50.0	

- We remain cautious that the current sales trend may shift for a number of reasons, including increased spread of variants of the COVID-19 virus that may result in prolonged restrictions, store closures, supply chain challenges, increased commodity costs and reduced demand for apparel

Adjusted EBITDA and free cash flow are non-GAAP measures, see "Non-GAAP Financial Measures" for a discussion of such non-GAAP measures

FUTURE TAX DEDUCTIONS

We have significant net operating loss carryforwards that can be used to offset future taxable income, resulting in low cash tax payments

- At the end of fiscal 2013, we established a full valuation allowance against our net deferred tax assets, which consist primarily of net operating loss carryforwards. The full valuation allowance remains in place at this time, effectively removing these assets from our balance sheet
- These net operating losses remain available to offset future taxable income, reducing cash tax payments
- YTD Q2 2021 effective tax rate of just 1.4% as compared to statutory rate of approximately 26%

(\$ in millions)	As of January 31, 2021		
	Subject to Expiration ¹	No Expiration	Total
Federal NOL	\$ 158.2	\$ 43.1	\$ 201.3
State NOL	\$ 111.3	-	\$ 111.3
Foreign NOL	\$ 5.9	-	\$ 5.9

¹NOLs expire over the following timeframe: Federal 2021-2037, State 2021-2041, Foreign 2025-2041

NON-GAAP FINANCIAL MEASURES



Reconciliation of non-GAAP measures:

Adjusted EBITDA

<i>(in millions)</i>	For the three months ended			For the six months ended			Projected 2021
	July 31, 2021	August 1, 2020	August 3, 2019	July 31, 2021	August 1, 2020	August 3, 2019	
Net income (loss) (GAAP basis)	\$ 24.5	\$ (10.7)	\$ 0.0	\$ 33.1	\$ (52.4)	\$ (3.0)	\$43.9-\$51.8
Add back:							
Impairment of assets	(0.4)	-	-	(1.0)	16.3	-	(1.0)
CEO transition costs	-	-	-	-	-	0.7	-
Provision (benefit) for income taxes	0.4	-	-	0.5	0.0	(0.0)	0.7-0.8
Interest expense	0.9	1.1	0.9	2.1	1.8	1.7	3.1-3.6
Depreciation and amortization	4.4	5.3	6.2	8.9	11.1	12.5	17.4-17.7
Adjusted EBITDA (non-GAAP basis)	\$ 29.8	\$ (4.3)	\$ 7.1	\$ 43.5	\$ (23.2)	\$ 11.9	\$65.0 to \$72.0

Free Cash Flow

<i>(in millions)</i>	Fiscal 2019	Fiscal 2020	Projected Fiscal 2021
	Cash flow from operating activities (GAAP basis)	\$ 15.8	\$ (1.2)
Capital expenditures	(13.4)	(4.2)	(4.3)
Free Cash Flow (non-GAAP basis)	\$ 2.4	\$ (5.5)	\$ > 50.0

NON-GAAP FINANCIAL MEASURES (CONTINUED)

Adjusted net income (loss) and adjusted net income (loss) per diluted share

	July 31, 2021		For the three months ended				July 31, 2021		For the six months ended			
			August 1, 2020		August 3, 2019				August 1, 2020		August 3, 2019	
	\$	Per diluted share	\$	Per diluted share	\$	Per diluted share	\$	Per diluted share	\$	Per diluted share	\$	Per diluted share
<i>(in thousands, except per share data)</i>												
Net income (loss) (GAAP basis)	\$ 24,451	\$ 0.36	\$ (10,714)	\$ (0.21)	\$ 38	\$ 0.00	\$ 33,148	\$ 0.50	\$ (52,440)	\$ (1.03)	\$ (3,043)	\$ (0.06)
Adjust:												
Impairment of assets	(365)	-	-	-	-	-	(1,017)	16,335	-	-	-	-
CEO transition costs	-	-	-	-	-	-	-	-	-	-	702	-
Add back actual income tax provision (benefit)	426	24	24	(\$)	(\$)	(\$)	454	44	44	44	(29)	(29)
Add income tax (provision) benefit, assuming a normal tax rate of 26%	(6,373)	2,779	2,779	(\$)	(\$)	(\$)	(8,472)	9,376	9,376	9,376	616	616
Adjusted net income (loss) (non-GAAP basis)	\$ 18,139	\$ 0.27	\$ (7,911)	\$ (0.15)	\$ 22	\$ 0.00	\$ 24,113	\$ 0.37	\$ (26,685)	\$ (0.52)	\$ (1,754)	\$ (0.04)
Weighted average number of common shares outstanding on a diluted basis		67,615		51,078		50,175		65,938		50,918		49,734

