

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

FORM 8-K

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

Date of Report (Date of earliest event reported): March 17, 2020

EXELA TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	001-36788 (Commission File Number)	47-1347291 (I.R.S. Employer Identification Number)
2701 E. Grauwylar Rd. Irving, TX (Address of principal executive offices)		75061 (Zip Code)

Company's telephone number, including area code: **(844) 935-2832**

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 \$0.0001 per share	XELA	The Nasdaq Stock Market LLC

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation to 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 or Rule 12b-2 of the Securities Exchange Act of 1934.

- 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 2.02. Results of Operations and Financial Condition.

On March 17, 2020, Exela Technologies, Inc. (the “Company” or “Exela”) issued a press release regarding the divestment of its tax consulting group, SourceHOV Tax, LLC. A copy of the press release is furnished herewith as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On March 17, 2020, Exela issued a press release regarding its operations and financial condition for the quarter ended December 31, 2019. A copy of the press release is furnished herewith as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Item 2.02 (including Exhibit 99.1 and Exhibit 99.2) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, regardless of any general incorporation language in such filing, unless expressly incorporated by reference in such filing.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

[99.1](#) [Press Release dated March 17, 2020](#)

[99.2](#) [Press Release dated March 17, 2020](#)

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.

Dated: March 18, 2020

EXELA TECHNOLOGIES, INC.

By: /s/ James Reynolds

Name: James G. Reynolds

Title: Chief Financial Officer

Exela Technologies Completes \$40 Million Divestment of SourceHOV Tax as Part of Strategic Plan to Sell Non-Core Business Assets

IRVING, Texas, March 17, 2020 -- Exela Technologies, Inc. (“Exela” or the “Company”) (NASDAQ: XELA), a location-agnostic global business process automation (BPA) leader across numerous industries, today announced that it has completed the divestment of its tax consulting group, SourceHOV Tax, for a purchase price of \$40 million to Private Equity firm Gainline Capital Partners. Raymond James & Associates, Inc. served as the exclusive financial advisor to Exela.

This is the first strategic divestment of non-core business units for Exela as part of its previously announced initiative, and follows a \$160 million accounts receivable securitization facility that closed in January. While SourceHOV Tax’s trusted services continue to play important roles in meeting the needs of CPA firms, corporations and other organizations, they are no longer core to Exela’s global long-term strategy. This divestment enables the Company to further focus on its key business areas by streamlining its portfolio holdings, while at the same time increasing its financial flexibility.

“We are excited to have successfully completed this divestment, which instantly increases our liquidity and diversifies our funding capabilities as key part of our strategic plan shared in Q3 2019,” said Ronald Cogburn, Chief Executive Officer of Exela. “This milestone not only improves our balance sheet in the near term, but also further enables the company to focus on its core business where we are best positioned for sustained long-term growth. With this transaction, we are becoming even better positioned to serve our customers by optimizing Exela’s business portfolio and focus.”

For more than three decades SourceHOV Tax has helped CPA firms and their clients maximize specialized federal and state tax incentives. The company collaborates with accounting firms throughout the country to bring R&D tax credits, cost segregation, §179D, LIFO, §199, Fixed Asset Review, and §45L solutions to their clients. With a team of 70 professionals and offices throughout the country, SourceHOV Tax serves many of the nation’s most prominent accounting firms, associations, and middle-market companies.

SourceHOV Tax generated \$20.7 million of revenue for the year ended December 31, 2019.

About Exela Technologies

Exela is a business process automation (BPA) leader, leveraging a global footprint and proprietary technology to provide digital transformation solutions enhancing quality, productivity, and end-user experience. With decades of expertise operating mission-critical processes, Exela serves a growing roster of more than 4,000 customers throughout 50 countries, including over 60% of the Fortune® 100. With foundational technologies spanning information management, workflow automation, and integrated communications, Exela’s software and services include multi-industry department solution suites addressing finance and accounting, human capital management, and legal management, as well as industry-specific solutions for banking, healthcare, insurance, and public sectors. Through cloud-enabled platforms, built on a configurable stack of automation modules, and over 22,000 employees operating in 23 countries, Exela rapidly deploys integrated technology and operations as an end-to-end digital journey partner.

Forward-Looking Statements: Certain statements included in this press release are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “may”, “should”, “would”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “seem”, “seek”, “continue”, “future”, “will”, “expect”, “outlook” or other similar words, phrases or expressions. These forward-looking statements include statements regarding our industry, future events, the estimated or anticipated future results and benefits of the Business Combination, future opportunities for the combined company, and other statements that are not historical facts. These statements are based on the current expectations of Exela management and are not predictions of actual performance. These statements are subject to a number of risks and uncertainties, including without limitation those discussed under the heading “Risk Factors” in Exela’s most recently filed Annual Report on Form-10-K filed with the Securities and Exchange Commission. In addition, forward-looking statements provide Exela’s expectations, plans or forecasts of future events and views as of the date of this communication. Exela anticipates that subsequent events and developments will cause Exela’s assessments to change. These forward-looking statements should not be relied upon as representing Exela’s assessments as of any date subsequent to the date of this press release.

Find out more at www.exelatech.com.

Follow Exela on LinkedIn: <https://www.linkedin.com/company/exela-technologies/>

Follow Exela on Twitter: <https://twitter.com/exelatech>

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Exela Technologies, Inc. Announces Update to Delayed 2019 10-K Filing and Restatement, and Preliminary 2019 Expected Financial Results
Company Expects to Report 2019 Revenue and Adjusted EBITDA Within Guidance

Irving, TX– March 17, 2020 – Exela Technologies, Inc. (“Exela” or the “Company”) (NASDAQ: XELA), a location-agnostic global business process automation (“BPA”) leader across numerous industries, today filed with the Securities and Exchange Commission on Form 12b-25, a Notification of Late Filing, for its 10-K for the year ended December 31, 2019, and on Form 8-K, details regarding the restatement of its financial statements for the years ended December 31, 2017 and 2018, and the interim periods through September 30, 2019 as previously disclosed on March 16, 2020. The restatement is not expected to have a material impact on previously reported Revenue or Adjusted EBITDA.

In addition, the Company noted that as of March 16, 2020, it had cash on hand and available borrowings of approximately \$100 million, and reaffirmed its full year 2019 guidance for Revenue and Adjusted EBITDA issued on November 12, 2019.

Exela currently expects to file the Company’s Form 10-K for the year-ended December 31, 2019, and restated financial statements for 2017 and 2018 and the interim periods through September 30, 2019, on or before March 31, 2020. The Company also plans to release its full fourth quarter 2019 financial results concurrently with such filing. Once that date is finalized, Exela will schedule an investor conference call to discuss the financial results for the fourth quarter and full year 2019. Although Exela is working diligently to complete the 2019 Form 10-K, and restatements of its financial statements for 2017 and 2018 and the interim periods through September 30, 2019, and currently expects to complete and file these items by March 31, 2020, given factors such as potential work interruptions associated with the COVID-19 coronavirus, no assurance can be given that they will be filed within such period.

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Find out more at www.exelatech.com

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