

**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): May 15, 2024

WILHELMINA INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware	001-36589	74-2781950
(State or other jurisdiction of incorporation)	(Commission File No.)	(IRS Employer Identification No.)

5420 Lyndon B Johnson Freeway, Box #25, Dallas, Texas	75240
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (214) 661-7488

N/A

(Former name or former address, if changed since last report.)

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	WHLM	NASDAQ Capital Market

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.

Item 2.02. Results of Operations and Financial Condition.

On May 15, 2024, Wilhelmina International, Inc. issued a press release announcing its financial results for the first quarter ended March 31, 2024. A copy of this press release is included as Exhibit 99.1 to this report.

Pursuant to General Instruction B.2 of Form 8-K, the information in this Item 2.02 of Form 8-K, including Exhibit 99.1 attached hereto, is being furnished pursuant to Item 2.02 and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise be subject to the liabilities of that section, nor is it incorporated by reference into any filing of Wilhelmina International, Inc. under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated May 15, 2024
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

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 thereunto duly authorized.

Dated: May 15, 2024

WILHELMINA INTERNATIONAL, INC.

By: /s/ Gaurav Pahwa

Name: Gaurav Pahwa

Title: Chief Financial Officer

Wilhelmina International, Inc. Reports Results for First Quarter 2024

(in thousands)	Q1 2024	Q1 2023	YOY Change
Total Revenues	\$ 4,171	\$ 4,484	(7.0%)
Operating Income	73	229	(68.1%)
Income Before Provision for Taxes	149	210	(29.0%)
Net Income	91	159	(42.8%)
Gross Billings*	15,824	17,587	(10.0%)
EBITDA*	110	262	(58.0%)
Adjusted EBITDA*	128	304	(57.9%)
Pre-Corporate EBITDA*	381	548	(30.5%)

* Non-GAAP measures referenced are detailed in the disclosures at the end of this release.

(GLOBE NEWSWIRE) DALLAS -- Wilhelmina International, Inc. (Nasdaq:WHLM) ("Wilhelmina" or the "Company") today reported revenues of \$4.2 million and net income of \$0.1 million for the three months ended March 31, 2024, compared to revenues of \$4.5 million and net income of \$0.2 million for the three months ended March 31, 2023. Decreased revenues in 2024 were primarily due to decreased commissions on bookings in the Company's core modeling and Aperture divisions.

Financial Results

Net income for the three months ended March 31, 2024 was \$0.1 million, or \$0.02 per fully diluted share, compared to net income of \$0.2 million, or \$0.03 per fully diluted share, for the three months ended March 31, 2023.

Pre-Corporate EBITDA was \$0.4 million for the three months ended March 31, 2024, compared to Pre-Corporate EBITDA of \$0.5 million for the three months ended March 31, 2023.

The following table reconciles reported total revenues under generally accepted accounting principles to Gross Billings, for the first quarter ended March 31, 2024 and 2023.

	2024	2023
Total revenues	\$ 4,171	\$ 4,484
Model costs	11,653	13,103
Gross billings*	15,824	17,587

*Non-GAAP measures referenced are detailed in the disclosures at the end of this release.

Model costs include amounts owed to talent, including taxes required to be withheld and remitted directly to taxing authorities, commissions owed to other agencies, and related costs such as those paid for photography.

The following table reconciles reported net income under generally accepted accounting principles to EBITDA, Adjusted EBITDA and Pre-Corporate EBITDA for the three months ended March 31, 2024 and 2023.

	2024	2023
Net income	\$ 91	\$ 159
Interest income	(86)	-
Interest expense	3	1
Income tax expense	58	51
Amortization and depreciation	44	51
EBITDA*	110	262
Foreign exchange loss	7	18
Share-based payment expense	11	24
Adjusted EBITDA*	128	304
Corporate overhead	253	244

*Non-GAAP measures referenced are detailed in the disclosures at the end of this release.

Changes in net income, EBITDA, Adjusted EBITDA and Pre-Corporate EBITDA for the three months ended March 31, 2024, when compared to the three months ended March 31, 2023, were primarily the result of the following:

- Total revenues for the three months ended March 31, 2024 decreased by 7.0% due to decreased commissions on bookings in the Company's core modeling and Aperture divisions;
- Salaries and service costs for the three ended March 31, 2024 increased by 3.0% primarily due to personnel hires and payroll changes to better align Wilhelmina staffing with the needs of each office and geographical region;
- Office and general expenses for the three months ended March 31, 2024 decreased by 22.7% primarily due to decreased legal expense, computer expenses, and other office related expenses;
- Amortization and depreciation expense for the three months ended March 31, 2024 decreased by 13.7%, primarily due to reduced depreciation of assets that became fully amortized in 2023; and
- Corporate overhead expenses for the three months ended March 31, 2024 increased by 3.7%, primarily due to increased legal costs.

WILHELMINA INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	<u>(Unaudited)</u> <u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,734	\$ 6,117
Short term investments	6,670	6,596
Accounts receivable, net of allowance for doubtful accounts of \$1,777 and \$1,901, respectively	8,585	8,505
Prepaid expenses and other current assets	<u>228</u>	<u>203</u>
Total current assets	<u>20,217</u>	<u>21,421</u>
Property and equipment, net of accumulated depreciation of \$568 and \$534, respectively	291	320
Right of use assets-operating	3,285	3,457
Right of use assets-finance	143	152
Trademarks and trade names with indefinite lives	8,467	8,467
Goodwill	7,547	7,547
Other assets	<u>301</u>	<u>301</u>
TOTAL ASSETS	<u>\$ 40,251</u>	<u>\$ 41,665</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,722	\$ 3,941
Due to models	6,528	7,645
Lease liabilities – operating, current	727	712
Lease liabilities – finance, current	<u>33</u>	<u>32</u>
Total current liabilities	<u>11,010</u>	<u>12,330</u>
Long term liabilities:		
Deferred income tax, net	1,261	1,215
Lease liabilities – operating, non-current	2,898	3,102
Lease liabilities – finance, non-current	<u>114</u>	<u>122</u>
Total long term liabilities	<u>4,273</u>	<u>4,439</u>
Total liabilities	<u>15,283</u>	<u>16,769</u>
Shareholders' equity:		
Common stock, \$0.01 par value, 9,000,000 shares authorized; 6,472,038 shares issued at March 31, 2024 and December 31, 2023	65	65
Treasury stock, 1,314,694 shares at March 31, 2024 and December 31, 2023, at cost	(6,371)	(6,371)
Additional paid-in capital	88,865	88,854
Accumulated deficit	(57,185)	(57,276)
Accumulated other comprehensive loss	<u>(406)</u>	<u>(376)</u>
Total shareholders' equity	<u>24,968</u>	<u>24,896</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 40,251</u>	<u>\$ 41,665</u>

WILHELMINA INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
For the Three Months Ended March 31, 2024 and 2023
(In thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenues:		
Service revenues	\$ 4,163	\$ 4,476
License fees and other income	8	8
Total revenues	4,171	4,484
Operating expenses:		
Salaries and service costs	2,966	2,880
Office and general expenses	835	1,080
Amortization and depreciation	44	51
Corporate overhead	253	244
Total operating expenses	4,098	4,255
Operating income	73	229
Other expense (income):		
Foreign exchange loss	7	18
Interest income	(86)	—
Interest expense	3	1
Total other (income) expense	(76)	19
Income before provision for income taxes	149	210
Provision for income taxes:		
Current	(12)	(56)
Deferred	(46)	5
Provision for income taxes, net	(58)	(51)
Net income	91	159
Other comprehensive loss:		
Foreign currency translation adjustment	(30)	86
Total comprehensive income	\$ 61	\$ 245
Basic net income per common share	\$ 0.02	\$ 0.03
Diluted net income per common share	\$ 0.02	\$ 0.03
Weighted average common shares outstanding-basic	5,157	5,157
Weighted average common shares outstanding-diluted	5,157	5,157

WILHELMINA INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the Three Months Ended March 31, 2024 and 2023
(In thousands)
(Unaudited)

	<u>Common Shares</u>	<u>Stock Amount</u>	<u>Treasury Shares</u>	<u>Stock Amount</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total</u>
Balances at December 31, 2022	6,472	\$ 65	(1,315)	\$ (6,371)	\$ 88,770	\$ (57,709)	\$ (544)	\$ 24,211
Share based payment expense	-	-	-	-	24	-	-	24
Net income to common shareholders	-	-	-	-	-	159	-	159
Foreign currency translation	-	-	-	-	-	-	86	86
Balances at March 31, 2023	<u>6,472</u>	<u>\$ 65</u>	<u>(1,315)</u>	<u>\$ (6,371)</u>	<u>\$ 88,794</u>	<u>\$ (57,550)</u>	<u>\$ (458)</u>	<u>\$ 24,480</u>

	<u>Common Shares</u>	<u>Stock Amount</u>	<u>Treasury Shares</u>	<u>Stock Amount</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total</u>
Balances at December 31, 2023	6,472	\$ 65	(1,315)	\$ (6,371)	\$ 88,854	\$ (57,276)	\$ (376)	\$ 24,896
Share based payment expense	-	-	-	-	11	-	-	11
Net income to common shareholders	-	-	-	-	-	91	-	91
Foreign currency translation	-	-	-	-	-	-	(30)	(30)
Balances at March 31, 2024	<u>6,472</u>	<u>\$ 65</u>	<u>(1,315)</u>	<u>\$ (6,371)</u>	<u>\$ 88,865</u>	<u>\$ (57,185)</u>	<u>\$ (406)</u>	<u>\$ 24,968</u>

WILHELMINA INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
For the Three Months Ended March 31, 2024 and 2023
(In thousands)
(Unaudited)

	Three Months Ended	
	March 31,	
	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net income	\$ 91	\$ 159
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization and depreciation	44	51
Share based payment expense	11	24
Loss on foreign exchange rates	7	15
Deferred income taxes	46	(5)
Bad debt expense	29	45
Changes in operating assets and liabilities:		
Accounts receivable	(191)	(312)
Prepaid expenses and other current assets	(25)	(117)
Right of use assets-operating	172	205
Other assets	-	15
Due to models	(1,116)	(621)
Lease liabilities - operating	(190)	(91)
Lease liabilities - finance	25	-
Contract liabilities	-	(270)
Accounts payable and accrued liabilities	(219)	(233)
Net cash (used in) operating activities	<u>(1,316)</u>	<u>(1,135)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(6)	(73)
Purchases of short term investments	(6,149)	-
Maturities of short term investments	6,150	-
Net cash used in investing activities	<u>(5)</u>	<u>(73)</u>
Cash flows from financing activities:		
Payments on finance leases	(32)	(15)
Net cash used in financing activities	<u>(32)</u>	<u>(15)</u>
Foreign currency effect on cash flows:	<u>(30)</u>	<u>86</u>
Net change in cash and cash equivalents:	(1,383)	(1,137)
Cash and cash equivalents, beginning of period	6,117	11,998
Cash and cash equivalents, end of period	<u>\$ 4,734</u>	<u>\$ 10,861</u>
Supplemental disclosures of cash flow information:		
Cash paid for income taxes	\$ 7	\$ -

Non-GAAP Financial Measures

Gross Billings, EBITDA, Adjusted EBITDA and Pre-Corporate EBITDA represent measures of financial performance that are not calculated and presented in accordance with U.S. generally accepted accounting principles (“non-GAAP financial measures”). The Company considers Gross Billings, EBITDA, Adjusted EBITDA and Pre-Corporate EBITDA to be important measures of performance because they:

- are key operating metrics of the Company's business;
- are used by management in its planning and budgeting processes and to monitor and evaluate its financial and operating results; and
- provide stockholders and potential investors with a means to evaluate the Company's financial and operating results against other companies within the Company's industry.

The Company's calculation of non-GAAP financial measures may not be consistent with similar calculations by other companies in the Company's industry. The Company calculates Gross Billings as the gross amounts billed to customers on behalf of its models and talent for services performed. The Company calculates EBITDA as net income plus interest expense, income tax expense, and depreciation and amortization expense. The Company calculates “Adjusted EBITDA” as EBITDA plus foreign exchange gain/loss, share-based payment expense and certain significant non-recurring items that the Company may include from time to time. There were no such non-recurring items during the three months ended March 31, 2024 and 2023. The Company calculates “Pre-Corporate EBITDA” as Adjusted EBITDA plus corporate overhead expense, which includes director compensation, securities laws compliance costs, audit and professional fees, and other public company costs.

Non-GAAP financial measures should not be considered as alternatives to net and operating income as an indicator of the Company's operating performance or cash flows from operating activities as a measure of liquidity or any other measure of performance derived in accordance with generally accepted accounting principles.

Form 10-Q Filing

Additional information concerning the Company's results of operations and financial position is included in the Company's Form 10-Q for the first quarter ended March 31, 2024 filed with the Securities and Exchange Commission on May 15, 2024.

Forward-Looking Statements

This press release contains certain “forward-looking” statements as such term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relating to the Company are based on the beliefs of the Company’s management as well as information currently available to the Company’s management. When used in this report, the words “anticipate,” “believe,” “estimate,” “expect” and “intend” and words or phrases of similar import, as they relate to the Company or Company management, are intended to identify forward-looking statements. Such forward-looking statements include, in particular, projections about the Company’s future results, statements about its plans, strategies, business prospects, changes and trends in its business and the markets in which it operates. Additionally, statements concerning future matters such as gross billing levels, revenue levels, expense levels, and other statements regarding matters that are not historical are forward-looking statements. Management cautions that these forward-looking statements relate to future events or the Company’s future financial performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance, or achievements of its business or its industry to be materially different from those expressed or implied by any forward-looking statements. Should any one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended. The Company does not undertake any obligation to publicly update these forward-looking statements. As a result, no person should place undue reliance on these forward-looking statements.

About Wilhelmina International, Inc. (www.wilhelmina.com):

Wilhelmina, together with its subsidiaries, is an international full-service fashion model and talent management service, specializing in the representation and management of leading models, celebrities, artists, photographers, athletes, and content creators. Established in 1967 by fashion model Wilhelmina Cooper, Wilhelmina is one of the oldest and largest fashion model management companies in the world. Wilhelmina is publicly traded on the Nasdaq Capital Market under the symbol WHLM. Wilhelmina is headquartered in New York and, since its founding, has grown to include operations in Los Angeles, Miami and London. Wilhelmina also owns Aperture, a talent and commercial agency located in New York and Los Angeles. For more information, please visit www.wilhelmina.com and follow [@WilhelminaModels](https://twitter.com/WilhelminaModels).

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