



MiniLuxe

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MINILUXE ANNOUNCES ~USD \$2.7M (CDN \$3.8M) IN CAPITAL-ENHANCING TRANSACTIONS WITH FIRST CLOSING OF PRIVATE PLACEMENT AND DEBT CONVERSION

Company closes ~USD \$1.63M ~ in first tranche of non-brokered private placement alongside over USD \$1.0M of conversion of debenture notes

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Boston, MA, Jan. 02, 2025 (GLOBE NEWSWIRE) -- MiniLuxe Holding Corp. (TSXV: MNLX) (“**MiniLuxe**” or the “**Company**”) announces that it has completed an initial closing of a non-brokered private placement of over USD \$1.6M, and it also finalized the conversion over USD \$1.0M of prior convertible notes through share for debt agreements. Details of these closings are provided below.

The Company is pleased to share that it has also received other indications of interest for incremental private placement (on the same terms as described below and in the original [November 27th announcement](#) for the private placement, the “**Offering**”), which it will consider for in a subsequent follow-on closing. With the Company’s continued growth progress combined with significant improvements in fixed cost leverage (i.e. material step down in SG&A or overhead costs relative to positive trajectory of total Company revenue and revenue growth), the Company has also recently attracted other sources of prospective funding, including institutional interest for debt and equity financing, and as such will consider those options during the 1H 2025.

At year-end 2024, the Company closed on gross proceeds of USD\$1,631,250 or ~CDN \$2.35M of the Offering. The initial closing of the Offering resulted in the issuance of 2,965,907 Subordinate Voting Shares at a price of USD\$0.55 (~CDN \$.79) per Subordinate Voting Share. The Company has also been granted an extension from the TSX Venture Exchange to extend the closing of all tranches of the Offering to February 8, 2025.

Proceeds from the Offering will be used by the Company to fund new growth initiatives including new studio unit growth, especially in partnership with proven operating partners in a JV or franchise structure. The Company will also consider using the capital for M+A prospects as a strategy to augment accretive growth.

Completion of all tranches of the Offering is subject to the satisfaction of customary closing conditions, including the approval of the TSX Venture Exchange. The securities issued pursuant to the initial closing of the Offering are subject to a hold period of four months and one day from the issuance date in accordance with applicable securities laws.

In addition to the first closing of its Private Placement, the Company is pleased to announce that it has entered into shares for debt agreements to satisfy an aggregate of USD\$1,085,944 or ~CDN \$1.56M of the Company's outstanding debt related to the principal and accrued but unpaid portions of interest payments outstanding under certain convertible debentures of the Company (the "**Debentures**"). An aggregate of 2,360,746 Subordinate Voting Shares at a deemed price of USD\$0.46 per share are proposed to be issued to the Debenture holders with an effective conversion date of December 27, 2024. The Company offered existing Debenture holders participating in the Offering the opportunity to elect to receive Subordinate Voting Shares at a discounted conversion price relative to the original terms of the Debentures. Any and all Debenture holders electing to convert Debentures are deemed to be arm's length to the Company. The Subordinate Voting Shares will be issued upon acceptance by the TSX Venture Exchange.

"We are really pleased to have not just strong initial interest in this first closing of our non-brokered private placement, but to have it from a highly selective set of value-add and respected investors. The placement and its pricing reflect the view of these investors for both our progress to date and future value creation potential, and we are excited to use the capital towards accretive growth initiatives in 2025," said Tony Tjan, Co-Founder and CEO of MiniLuxe.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release. Such securities have not been, and will not be, registered under the U.S. Securities Act, or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

About MiniLuxe

[MiniLuxe](#), a Delaware corporation based in Boston, Massachusetts. MiniLuxe is a lifestyle brand and talent empowerment platform servicing the beauty and self-care industry. The Company focuses on delivering high-quality nail care and esthetic services and offers a suite of trusted proprietary products that are used in the Company's owned-and-operated studio services. For over a decade, MiniLuxe has been elevating industry standards through healthier, ultra-hygienic services, a modern design esthetic, socially responsible labor practices, and better-for-you, cleaner products. MiniLuxe's aims to radically transform a highly fragmented and under-regulated self-care and nail care industry through its brand, standards, and technology platform that collectively enable

better talent and client experiences.

In addition to creating long-term durable economic returns for stakeholders, MiniLuxe is expanding its reach through franchising, offering entrepreneurs the opportunity to partner with a brand recognized as the [best nail salon franchise](#). MiniLuxe seeks to empower one of the most diverse and largest hourly worker segments through professional development, economic mobility, and ownership opportunities. For its clients, MiniLuxe offers best-in-class self-care services and better-for-you products, and for nail care and beauty professionals, MiniLuxe seeks to become the employer of choice. Since its inception, MiniLuxe has performed over 4 million services.

For further information

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Forward-looking statements

This press release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") concerning the Company and its subsidiaries within the meaning of applicable securities laws. Forward-looking information may relate to the future financial outlook and anticipated events or results of the Company and may include information regarding the Company's financial position, business strategy, growth strategies, acquisition prospects and plans, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding the Company's expectations of future results, performance, achievements, prospects or opportunities or the markets in which the Company operates is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "budgets", "scheduled", "estimates", "outlook", "forecasts", "projects", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will" occur. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Many factors could cause the Company's actual results, performance, or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking information, including, without limitation, those listed in the "Risk Factors" section of the Company's filing statement dated November 9, 2021. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect,

actual results, performance, or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this press release.

Forward-looking information, by its nature, is based on the Company's opinions, estimates and assumptions in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate and reasonable in the circumstances. Those factors should not be construed as exhaustive. Despite a careful process to prepare and review forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. These factors should be considered carefully, and readers should not place undue reliance on the forward-looking information. Although the Company bases its forward-looking information on assumptions that it believes were reasonable when made, which include, but are not limited to, assumptions with respect to the Company's future growth potential, results of operations, future prospects and opportunities, execution of the Company's business strategy, there being no material variations in the current tax and regulatory environments, future levels of indebtedness and current economic conditions remaining unchanged, the Company cautions readers that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from the forward-looking statements contained in this press release. In addition, even if the Company's results of operations, financial condition and liquidity, and the development of the industry in which it operates are consistent with the forward-looking information contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

Although the Company has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to the Company or that the Company presently believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made (or as of the date they are otherwise stated to be made). Any forward-looking statement that is made in this press release speaks only as of the date of such statement.