



MINILUXE REPORTS FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2025
Reported figures all in U.S. Dollars
Announces Strong and Continued Revenue and Gross Profit Growth

Boston, MA -- May 29, 2025 -- MiniLuxe Holding Corp. (TSXV: MNLX) today announced its financial results for the 13 weeks ended March 30, 2025 ("Q1 2025"). The fiscal year of MiniLuxe is a 52-week reporting cycle ending on Sunday closest to December 31, which periodically necessitates a fiscal year of 53 weeks; fiscal years referred to in this release consist of 52-week periods. Unless otherwise specified, all amounts are reported in U.S. dollars.

MiniLuxe continued its momentum with year-over-year growth as Q1 2025 revenue increased 9% over Q1 2024 at \$6.1M and gross profit of \$2.5M, representing a 12% increase from Q1 2024. The Company focuses on gross profit margin expansion and earnings before interest, tax, depreciation and amortization (EBITDA) growth as key success indicators towards long-term profitability. The first quarter is traditionally the lowest relative revenue period for the Company and highest level of cash use due to the seasonality of the business. In Q1 2025, the Company's operating loss was (\$2M) slightly higher than (\$1.8M) in Q1 2024, primarily driven by one-time spend increases in professional services, and stock-based compensation expenses. Taking out non-cash items such as stock-based compensation, adjusted EBITDA for total company (inclusive of all overhead) came in for Q1 2025 at ~(\$1.6M) while YoY Fleet 4-wall adjusted EBITDA nearly tripled to positive \$700k.

Key 2025 Strategic Pillars

Through Q1 2025 the Company continued its execution focus on three strategic pillars:

1. **Drive growth through operating partners and franchise partners** - Continued expansion of the Company's talent revenue base, which grew by 10% year-over-year to \$6.08M, reflecting the success of MiniLuxe's operating model and growing appeal to partners. In the first quarter of operation, MiniLuxe's first franchise location grew 25% in the second half of Q1 when compared to the first half – demonstrating the power of the brand to attract and capture demand.
2. **Accelerate overall studio-level profitability growth** - Fleet Adjusted EBITDA increased approximately 290% compared to Q1 2024, reaching \$700K, demonstrating the Company's continued success in improving store-level contribution.
3. **Increase fixed cost leverage and SG&A efficiency** - The company continued to see improvements in its SG&A efficiency, demonstrating the Company's ability to leverage its

cost structure as revenues grow. Corporate SG&A continues to remain steady or decline as a percentage of total revenue, driven by cost efficiencies and overall top line growth.

Highlights of Business Performance

- Gross profit increased 12% to \$2.5M with gross margin improving from 40% in Q1 2024 to 41% in Q1 2025.
- Cash flow used in operating activities improved by \$700k in Q1 2025 to (\$1.2M) versus (\$1.9M) in Q1 2024.
- Per the company's [February 10 press release](#) and March 10th press release, MiniLuxe raised approximately \$[5M] in additional funding in Q1, supporting the Company's strategic initiatives for 2025.
- Cash, cash equivalents and restricted cash reached \$7.2M at the end of Q1 2025, an increase of \$3.2M from \$4.0M at the end of FY24 and an increase of \$5M from \$2.2M at the end of Q1 2024, providing the Company with a strong foundation for continued growth and strategic initiatives.
- [On March 21, MiniLuxe announced](#) the successful extinguishment of all convertible debt, further strengthening its financial foundation.

The majority of the Company's growth continues to come from MiniLuxe branded Core Studios. The Core Studio base maintained consistent, multi-year trend of growth in Q1 2025 as service revenue from the fleet increased by \$0.6M to \$6.1M, or 10% over Q1 2024. MiniLuxe saw strong trends on the demand and supply side of its business: (a) positive momentum on the demand side (new client and loyal client growth) and (b) growth and development of supply side (talent ecosystem growth).

Outside of the Core Studios – performance at the Company's operating partner studios exceeded target expectations. The Company's partnership studio with Atlanta-based Sugarcoat is trending more than 10% above target. The Company's first franchise location in Brookline, Massachusetts also exhibited very strong growth in its ramp and achieved profitability within its first 6 months of operations.

"Our first quarter performance is the direct result of execution on our strategic pillars, including partnership with outstanding operating partners, and the growing momentum of MiniLuxe's core business model," said Tony Tjan, Chief Executive Officer and Co-founder of MiniLuxe. "We're pleased to see the brand's resiliency that has not only endured since Covid but strengthened as unit economics continue to positively expand and generate growing Fleet contribution and fixed cost leverage. I am most proud that the team is doing this while maintaining our commitment to clean, high-quality services and the empowerment of our designers."

Q1 2025 Results

Selected Financial Measures

	13 Weeks Ended		YoY Change	
	March 30, 2025	March 31, 2024	\$ Change	% Change
<i>In thousands of U.S. dollars</i>				
Talent	6,085	5,519	566	10%
Product	54	119	(66)	-55%
Total Revenue	6,138	5,638	500	9%
Gross Profit (\$)	2,533	2,257	275	12%
Gross Margin (%)	41%	40%		

	13 Weeks Ended		YoY Change	
	March 30, 2025	March 31, 2024	\$ Change	% Change
<i>In thousands of U.S. dollars</i>				
Adjusted EBITDA	\$ (1,594)	\$ (1,487)	(107)	-7%
Fleet Adjusted EBITDA	\$ 703	\$ 179	524	293%

Results of Operations

The following table outlines the consolidated statements of loss and comprehensive loss for the thirteen weeks ended March 30, 2025 and March 31, 2024:

	13 Weeks Ended	
	March 30, 2025	March 31, 2024
<i>In thousands of U.S. dollars</i>		
Revenue	\$ 6,138	\$ 5,638
Cost of sales	3,606	3,381
Gross profit	2,533	2,257
General and administrative expense	3,695	3,159
Depreciation and amortization expense	827	917
Impairment expense	-	-
Operating loss	(1,989)	(1,818)
Finance costs	(465)	(351)
Other income	-	1
Unrealized gain (loss)	(273)	20
Loss on debt extinguishment	(234)	-
Income (loss) before taxes	(2,962)	(2,148)
Income tax expenses	-	-
Net and comprehensive income (loss)	\$ (2,962)	\$ (2,148)
<u>Earnings per share (US\$/share):</u>		
Subordinate voting shares (basic)	(0.02)	(0.01)
Proportionate voting shares (basic)	(18.79)	(14.59)
Subordinate voting shares (diluted)	(0.02)	(0.01)
Proportionate voting shares (diluted)	(18.79)	(14.59)

Cash Flows

The following table presents cash and cash equivalents as of March 30, 2025 and March 31, 2024:

<i>In thousands of U.S. dollars</i>	13 Weeks Ended	
	March 30, 2025	March 31, 2024
Cash, cash equivalents and restricted cash, beginning of	\$ 3,995	\$ 3,411
Net cash provided by (used in):		
Operating activities	(1,212)	(1,894)
Investing activities	(55)	(41)
Financing activities	4,488	738
Net decrease in cash and cash equivalents	3,221	(1,198)
Cash, cash equivalents and restricted cash, end of period	\$ 7,217	\$ 2,214

Non-IFRS Measures and Reconciliation of Non-IFRS Measures

This press release references certain non-IFRS measures used by management. These measures are not recognized under International Financial Reporting Standards ("IFRS"), do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The non-IFRS measures referred to in this press release are "Adjusted EBITDA" and "Fleet Adjusted EBITDA."

Adjusted EBITDA

Management believes Adjusted EBITDA most accurately reflects the commercial reality of the Company's operations on an ongoing basis by adding back non-cash expenses. Additionally, the rent-related adjustments ensure that studio-related expenses align with revenue generated over the corresponding time periods.

Adjusted EBITDA is calculated by adding back fixed asset depreciation, right-of-use asset amortization under IFRS 16, asset disposal, and share-based compensation expense to IFRS operating income, then deducting straight-line rent expenses net of lease abatements. IFRS operating income is revenue less cost of sales (gross profit), additionally adjusted for general and administrative expenses, and depreciation and amortization expense.

The Company also uses Fleet Adjusted EBITDA to evaluate the performance of its MiniLuxe Core Studio business. This metric is calculated in a similar manner, starting with Talent revenue and adjusting for non-fleet Talent revenue and cost of sales, further adjusted by fleet general and

administrative expenses and finally subtracting straight line rent expense. The Company believes that this metric most closely mirrors how management views the fleet portion of the business.

The following table reconciles Adjusted EBITDA to net loss for the periods indicated:

<i>Non-IFRS Metrics</i>	13 Weeks Ended			
	March 30,		March 31,	
	<u>2025</u>		<u>2024</u>	
<i>In thousands of U.S. dollars</i>				
Operating Loss	\$	(1,989)	\$	(1,818)
Right-of-Use Asset Amortization Expense		350		358
Fixed Asset Depreciation Expense		477		545
Stock Compensation Expense		238		109
Straight Line Rent		(670)		(680)
Adjusted EBITDA	\$	(1,594)	\$	(1,487)

The following table reconciles Fleet Adjusted EBITDA to net loss for the periods indicated:

<i>Non-IFRS Metrics</i>	13 Weeks Ended			
	March 30,		March 31,	
	<u>2025</u>		<u>2024</u>	
<i>In thousands of U.S. dollars</i>				
Talent Revenue	\$	6,085	\$	5,519
Less: Non-Fleet Revenue		(106)		(414)
Talent Cost of Sales		(3,394)		(3,309)
Less: Non-Fleet Cost of Sales		48		277
Fleet SG&A		(1,343)		(1,356)
Fleet Straight Line Rent		(587)		(538)
Fleet Adjusted EBITDA	\$	703	\$	179

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. 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. In addition to creating long-term durable economic returns for our stakeholders, the brand seeks to positively impact and empower one of the most diverse and largest hourly worker segments through professional development and certification, economic

mobility, and company ownership opportunities (e.g., equity participation and future franchise opportunities). 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.