



AirSculpt Technologies Reports First Quarter Fiscal 2025 Results and Full Year Guidance

May 2, 2025

MIAMI BEACH, Fla., May 02, 2025 (GLOBE NEWSWIRE) -- AirSculpt Technologies, Inc. (NASDAQ:AIRS)("AirSculpt" or the "Company"), a national provider of premium body contouring procedures, today announced results for the first quarter ended March 31, 2025.

"We began the year reporting results in line with our expectations, and while we are early in our transformation, I am encouraged by the progress the team has made on the business imperatives we set in place at the start of the year and I remain confident that we have identified and are implementing the right actions to return to growth," stated Yogi Jashnani, Chief Executive Officer. "To this end, the first quarter saw profitability strengthen compared to the fourth quarter on similar revenue, reflecting our cost reduction initiatives and expense discipline. We also experienced early benefits from our new go-to-market strategy with the re-focus of our marketing activities lifting lead volumes and improving our revenue decline as we exited the quarter. We continue to believe we have a significant long-term growth opportunity ahead given our proven track record of having completed more than 70,000 successful procedures. Consumers recognize AirSculpt for our effectiveness and attentive customer experience, which has led to consistency in our average revenue per case, demonstrating the value proposition we possess in the market."

"As we begin the second quarter, we acknowledge we are operating in an uncertain environment, yet expect the disciplined execution of our business imperatives to help drive sequential improvement in revenue as we move through the year," continued Mr. Jashnani. "We continue to focus on increasing lead generation, consultations and case conversion with our enhanced marketing and sales generation efforts, and expect the introduction of an expanded range of financing options to further assist us to achieve this goal. In addition, we have also begun to pilot skin tightening as a standalone offering, which has seen increasing interest, and believe we are uniquely positioned to capitalize on this opportunity given the effectiveness of this service as part of our body contouring procedure."

"Overall, I continue to believe that AirSculpt is an attractive business with a competitive moat that is ripe for disruption and that the best years lie ahead for AirSculpt and its shareholders. We are intently focused on executing our business imperatives, helping position us to deliver sustained long-term growth in revenue and profitability, generate free cash flow, and to increase value for our shareholders," concluded Mr. Jashnani.

First Quarter 2025 Results

- Case volume was 3,076 for the first quarter of 2025, representing a 17.9% decline from the fiscal year 2024 first quarter case volume of 3,746;
- Revenue declined 17.3% to \$39.4 million from \$47.6 million in the fiscal year 2024 first quarter;
- Net loss for the quarter was \$2.8 million compared to net income of \$6.0 million in the fiscal year 2024 first quarter; and
- Adjusted EBITDA was \$3.8 million compared to \$7.3 million for the fiscal year 2024 first quarter.

2025 Outlook

The Company projects full year 2025 revenue and adjusted EBITDA guidance as follows:

- Revenues of approximately \$160 to \$170 million
- Adjusted EBITDA of approximately \$16 to \$18 million

For additional information on forward-looking statements, see the section titled "Forward-Looking Statements" below.

Liquidity

As of March 31, 2025, the Company had \$5.6 million in cash and cash equivalents, with no availability on its revolving credit facility. The Company generated \$0.9 million in operating cash flow for the three months ended March 31, 2025, compared to \$3.4 million for the same period of 2024. The Company was compliant with its bank covenants at as of the end of the first quarter of fiscal year 2025.

Conference Call Information

AirSculpt will hold a conference call today, May 2, 2025 at 8:00 am (Eastern Time). The conference call can be accessed by dialing 1-877-407-9716 (toll-free domestic) or 1-201-493-6779 (international) using the conference ID 13753206 or by visiting the link below to request a return call for instant telephone access to the event.

<https://callme.viavid.com/viavid/?callme=true&passcode=13725116&h=true&info=company&r=true&B=6>

The live webcast may be accessed via the investor relations section of the AirSculpt Technologies website at <https://investors.airsculpt.com>. A replay of the webcast will be available for approximately 90 days following the call.

To learn more about AirSculpt, please visit the Company's website at <https://investors.airsculpt.com>. AirSculpt uses its website as a channel of distribution for material Company information. Financial and other material information regarding AirSculpt is routinely posted on the Company's website and is readily accessible.

About AirSculpt

AirSculpt is a next-generation body contouring treatment designed to optimize both comfort and precision, available exclusively at AirSculpt offices.

The minimally invasive procedure removes fat and tightens skin, while sculpting targeted areas of the body, allowing for quick healing with minimal bruising, tighter skin, and precise results.

Forward-Looking Statements

This press release contains forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue,” the negative of these terms and other comparable terminology, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements, which are subject to risks, uncertainties, and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies, and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. You are cautioned that there are important risks and uncertainties, many of which are beyond our control, that could cause our actual results, level of activity, performance, or achievements to differ materially from the projected results, level of activity, performance or achievements that are expressed or implied by such forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements, including those factors discussed in the section titled “Risk Factors” in our Annual Report on Form 10-K.

Our future results could be affected by a variety of other factors, including, but not limited to, inability to sell equity or other securities in the future at a time when we might otherwise wish to effect sales; inability to raise capital on commercially reasonable terms, if at all; the risk that any future financings may dilute our stockholders or restrict our business; failure to stabilize same-store performance; not being able to optimize our marketing investment, go-to market strategy and sales process; not having the ability to expand our financing options for consumers; being unsuccessful in further product innovations; failure to operate centers in a cost-effective manner; increased operating expenses due to rising inflation; increased competition in the weight loss and obesity solutions market, including as a result of the recent regulatory approval, increased market acceptance, availability and customer awareness of weight-loss drugs; shortages or quality control issues with third-party manufacturers or suppliers; competition for surgeons; litigation or medical malpractice claims; inability to protect the confidentiality of our proprietary information; changes in the laws governing the corporate practice of medicine or fee-splitting; changes in the regulatory, macroeconomic conditions, including inflation and the threat of recession, economic and other conditions of the states and jurisdictions where our facilities are located; and business disruption or other losses from natural disasters, war, pandemic, terrorist acts or political unrest.

The risk factors discussed in “Item 1A. Risk Factors” in our Annual Report on Form 10-K and in other filings we make from time to time with the SEC could cause our results to differ materially from those expressed in the forward-looking statements made in this press release.

There also may be other risks and uncertainties that are currently unknown to us or that we are unable to predict at this time.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance, or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Forward-looking statements represent our estimates and assumptions only as of the date they were made, which are inherently subject to change, and we are under no duty and we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated after the date of this press release to conform our prior statements to actual results or revised expectations, except as required by law. Given these uncertainties, investors should not place undue reliance on these forward-looking statements.

Use of Non-GAAP Financial Measures

The Company reports financial results in accordance with generally accepted accounting principles in the United States (“GAAP”), however, the Company believes the evaluation of ongoing operating results may be enhanced by a presentation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income per Share, which are non-GAAP financial measures. Although the Company provides guidance for Adjusted EBITDA, it is not able to provide guidance for net income, the most directly comparable GAAP measure. Certain elements of the composition of net income, including equity-based compensation, are not predictable, making it impractical for us to provide guidance on net income or to reconcile our Adjusted EBITDA guidance to net income without unreasonable efforts. For the same reasons, the Company is unable to address the probable significance of the unavailable information regarding net income, which could be material to future results.

These non-GAAP financial measures are not intended to replace financial performance measures determined in accordance with GAAP. Rather, they are presented as supplemental measures of the Company’s performance that management believes may enhance the evaluation of the Company’s ongoing operating results. These non-GAAP financial measures are not presented in accordance with GAAP, and the Company’s computation of these non-GAAP financial measures may vary from similar measures used by other companies. These measures have limitations as an analytical tool and should not be considered in isolation or as a substitute or alternative to revenue, net income, operating income, cash flows from operating activities, total indebtedness or any other measures of operating performance, liquidity or indebtedness derived in accordance with GAAP.

AirSculpt Technologies, Inc. and Subsidiaries Selected Consolidated Financial Data (Dollars in thousands, except shares and per share amounts)

	Three Months Ended March 31,	
	2025	2024
Revenue	\$ 39,371	\$ 47,620
Operating expenses:		
Cost of service	15,950	18,042
Selling, general and administrative ⁽¹⁾	21,768	15,756
Depreciation and amortization	3,242	2,805
Loss on disposal of long-lived assets	—	5
Total operating expenses	40,960	36,608

(Loss)/income from operations	(1,589)	11,012
Interest expense, net	1,625	1,532
Pre-tax net (loss)/income	(3,214)	9,480
Income tax (benefit)/expense	(367)	3,451
Net (loss)/income	<u>\$ (2,847)</u>	<u>\$ 6,029</u>
(Loss)/income per share of common stock		
Basic	\$ (0.05)	\$ 0.10
Diluted	\$ (0.05)	\$ 0.10
Weighted average shares outstanding		
Basic	58,536,950	57,422,058
Diluted	58,536,950	58,415,163

(1) During the first quarter of fiscal year 2024, the Company recorded a cumulative reversal of stock compensation expense of \$10.4 million related to reassessing the probability of achieving the performance target on certain of the Company's performance-based stock units. For further discussion, see Note 6 to the consolidated financial statements included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025.

AirSculpt Technologies, Inc. and Subsidiaries
Selected Financial and Operating Data
(Dollars in thousands, except per case amounts)

	March 31, 2025	December 31, 2023
Balance Sheet Data (at period end):		
Cash and cash equivalents	\$ 5,553	\$ 8,235
Total current assets	15,298	17,117
Total assets	\$ 203,260	\$ 209,996
Current portion of long-term debt	\$ 4,250	\$ 4,250
Deferred revenue and patient deposits	2,028	1,169
Total current liabilities	26,788	28,609
Long-term debt, net	64,263	65,456
Revolving credit funds payable	5,000	5,000
Total liabilities	\$ 125,927	\$ 130,706
Total stockholders' equity	\$ 77,333	\$ 79,290

	Three Months Ended March 31, 2025	2024
Cash Flow Data:		
Net cash provided by (used in):		
Operating activities	\$ 868	\$ 3,365
Investing activities	(1,901)	(1,562)
Financing activities	(1,649)	(1,096)

	Three Months Ended March 31, 2025	2024
Other Data:		
Number of facilities	32	27
Number of total procedure rooms	67	57
Cases	3,076	3,746
Revenue per case	\$ 12,799	\$ 12,712
Adjusted EBITDA ⁽¹⁾	\$ 3,755	\$ 7,337
Adjusted EBITDA margin ⁽²⁾	9.5%	15.4%

(1) A reconciliation of this non-GAAP financial measure appears below.

(2) Defined as Adjusted EBITDA as a percentage of revenue.

AirSculpt Technologies, Inc. and Subsidiaries
Selected Financial and Operating Data
(Dollars in thousands, except per case amounts)

	Three Months Ended March 31,	
	2025	2024
Same-center Information (1):		
Cases	2,837	3,746
Case growth	(24.3)%	N/A
Revenue per case	\$ 12,777	\$ 12,712
Revenue per case growth	0.5%	N/A
Number of facilities	27	27
Number of total procedure rooms	57	57

(1) For the three months ended March 31, 2025 and 2024, we define same-center case and revenue growth as the growth in each of our cases and revenue at facilities that were owned and operated during the three months ended March 31, 2025 and 2024, respectively. At facilities that were not owned or operated for the entirety of the prior year period, the current year period has been pro-rated to reflect only growth experienced during the portion of the three months ended March 31, 2025 in which such facilities were owned and operated during the three months ended March 31, 2024. We define same-center facilities and procedure rooms based on if a facility was owned or operated as of March 31, 2024.

We report our financial results in accordance with GAAP, however, management believes the evaluation of our ongoing operating results may be enhanced by a presentation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income per Share, which are non-GAAP financial measures.

We define Adjusted EBITDA as net (loss)/income excluding depreciation and amortization, net interest expense, income tax (benefit)/expense, restructuring and related severance costs, loss on disposal of long-lived assets, and equity-based compensation.

We define Adjusted Net Income as net (loss)/income excluding restructuring and related severance costs, loss on disposal of long-lived assets, equity-based compensation and the tax effect of these adjustments.

We include Adjusted EBITDA and Adjusted Net Income because they are important measures on which our management assesses and believes investors should assess our operating performance. We consider Adjusted EBITDA and Adjusted Net Income each to be an important measure because they help illustrate underlying trends in our business and our historical operating performance on a more consistent basis. Adjusted EBITDA has limitations as an analytical tool including: (i) Adjusted EBITDA does not include results from equity-based compensation and (ii) Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments. Adjusted Net Income has limitations as an analytical tool because it does not include results from equity-based compensation.

We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of revenue. We define Adjusted Net Income per Share as Adjusted Net Income divided by weighted average basic and diluted shares. We included Adjusted EBITDA Margin and Adjusted Net Income per Share because they are important measures on which our management assesses and believes investors should assess our operating performance. We consider Adjusted EBITDA Margin and Adjusted Net Income per Share to be important measures because they help illustrate underlying trends in our business and our historical operating performance on a more consistent basis.

The following table reconciles Adjusted EBITDA and Adjusted EBITDA Margin to net (loss)/income, the most directly comparable GAAP financial measure:

AirSculpt Technologies, Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Measures
(Dollars in thousands)

	Three Months Ended March 31,	
	2025	2024
Net (loss)/income	\$ (2,847)	\$ 6,029
<i>Plus</i>		
Equity-based compensation ⁽¹⁾	1,239	(6,781)
Restructuring and related severance costs	863	296
Depreciation and amortization	3,242	2,805
Loss on disposal of long-lived assets	—	5

Interest expense, net	1,625	1,532
Income tax (benefit)/expense	(367)	3,451
Adjusted EBITDA	\$ 3,755	\$ 7,337
Adjusted EBITDA Margin	9.5%	15.4%

(1) During the first quarter of fiscal year 2024, the Company recorded a cumulative reversal of stock compensation expense of \$10.4 million related to reassessing the probability of achieving the performance target on certain of the Company's performance-based stock units. For further discussion, see Note 6 to the consolidated financial statements included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025.

The following table reconciles Adjusted Net Income and Adjusted Net Income per Share to net income/(loss), the most directly comparable GAAP financial measure:

AirSculpt Technologies, Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Measures
(Dollars in thousands)

	Three Months Ended	
	March 31,	
	2025	2024
Net (loss)/income	\$ (2,847)	\$ 6,029
<i>Plus</i>		
Equity-based compensation ⁽¹⁾	1,239	(6,781)
Restructuring and related severance costs	863	296
Loss on disposal of long-lived assets	—	5
Litigation settlements	—	—
Tax effect of adjustments	(363)	2,331
Adjusted net (loss)/income	\$ (1,108)	\$ 1,880
 Adjusted net (loss)/income per share of common stock ⁽²⁾		
Basic	\$ (0.02)	\$ 0.03
Diluted	\$ (0.02)	\$ 0.03
Weighted average shares outstanding		
Basic	58,536,950	57,422,058
Diluted	58,536,950	58,415,163

(1) During the first quarter of fiscal year 2024, the Company recorded a cumulative reversal of stock compensation expense of \$10.4 million related to reassessing the probability of achieving the performance target on certain of the Company's performance-based stock units. For further discussion, see Note 6 to the consolidated financial statements included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025.

(2) Diluted Adjusted Net Income Per Share is computed by dividing adjusted net income by the weighted-average number of shares of common stock outstanding adjusted for the dilutive effect of all potential shares of common stock.

Investor Contact

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