

**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): January 10, 2022**

**THE BEAUTY HEALTH COMPANY**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-39565**  
(Commission  
File Number)

**85-1908962**  
(IRS Employer  
Identification No.)

**2165 Spring Street**  
**Long Beach, CA**  
(Address of principal executive offices)

**90806**  
(Zip Code)

**(800) 603-4996**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	SKIN	The Nasdaq Stock Market LLC

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.**

The information provided below in "Item 7.01 - Regulation FD Disclosure" of this Current Report on Form 8-K ("Current Report") is incorporated by reference into this Item 2.02. The information set forth under Item 2.02 of this Current Report is being furnished and 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 such section. The information in Item 2.02 of this Current Report shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, regardless of any general incorporation by reference language in any such filing.

**Item 7.01. Regulation FD Disclosure.**Press Release

On January 10, 2022, The Beauty Health Company (the "Company") issued a press release (the "Press Release") providing approximate expected sales revenue and Adjusted EBITDA for its full fiscal year of 2021. A copy of the Press Release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

Investor Presentation

In addition, the Company expects to use the presentation attached to this Current Report as Exhibit 99.2 (the "Investor Presentation") and incorporated herein by reference, in whole or in part, in connection with presentations to investors, analysts, and others during a fireside chat at the 2022 ICR Conference on January 11, 2022 at 9:30am Eastern Standard Time. The Investor Presentation is also available on the Company's website at: <https://investors.beautyhealth.com/>. The fact that the Investor Presentation is being furnished should not be deemed an admission as to the materiality of any information contained in the Investor Presentation.

The information contained in the Investor Deck Presentation is summary information that is intended to be considered in the context of the Company's Securities and Exchange Commission ("SEC") filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this Current Report, except as required by law, although the Company may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other current or periodic reports or documents with the SEC, through press releases, or through other public disclosure.

Exhibit 99.1 and Exhibit 99.2 contain forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed in these forward-looking statements.

The information set forth under Item 7.01 of this Current Report, including Exhibit 99.1 and Exhibit 99.2 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1 and Exhibit 99.2, shall not be incorporated by reference into any filing under the Securities Act or the Exchange Act, regardless of any general incorporation by reference language in any such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">99.1</a>	<a href="#">Press Release_dated January 10, 2022</a>
<a href="#">99.2</a>	<a href="#">Investor Presentation</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)



**The Beauty Health Company Confirms Fiscal 2021 Outlook Ahead of the 2022 ICR Conference  
Expects Fiscal Year 2021 Net Sales Around the High End of Guidance Range and Reiterates Adjusted EBITDA**

Long Beach, Calif., January 10, 2022 – The Beauty Health Company ("BeautyHealth" or the "Company"; NASDAQ:SKIN), a global category-creator in beauty health leading the charge with HydraFacial™, its flagship brand, today confirmed its fiscal year 2021 outlook prior to attending the ICR conference.

Brent Saunders, BeautyHealth's Executive Chairman and Interim Chief Executive Officer, stated: "Our growth was resilient despite the emergence of a new COVID variant. As a result of our momentum in the fourth quarter, we expect to report net sales for the year around the high end of our guidance provided in November. Further, we affirm our adjusted EBITDA outlook as we continue to invest in our key strategic initiatives and build a platform and community to fuel future growth. We are well positioned to capitalize on the multiple exciting opportunities available to us in the beauty health category."

**For the 2021 fiscal year, the Company expects to report:**

- **Net sales** around the high end of prior guidance of \$245 million to \$255 million.
- **Adjusted EBITDA** in line with prior guidance of approximately \$30 million.

BeautyHealth's achievement of the anticipated results is subject to risks and uncertainties, including those disclosed in the Company's filings with the Securities and Exchange Commission. The outlook is based upon current estimates and is subject to completion of fiscal and operating closing procedures. In addition, given the uncertainty in the environment in which BeautyHealth is operating, the Company remains cautious of the potential risk for further market closures or other restrictive measures from new COVID-19 variants and the uneven global rollout and adoption of vaccines, as well as inflationary headwinds related to higher raw material, shipping and labor costs.

Liyuan Woo, Chief Financial Officer, will participate virtually in a fireside chat at the 2022 ICR Conference on Tuesday, January 11, 2022 at 9:30 am Eastern Time. The presentation will be webcast live over the internet and can be accessed at <https://investors.beautyhealth.com/>. An archived replay of the webcast will be available following the fireside chat.

**Non-GAAP Financial Measures**

In addition to results determined in accordance with accounting principles generally accepted in the United States of America (GAAP), management utilizes certain non-GAAP financial measures such as adjusted EBITDA for purposes of evaluating ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial measures, when reviewed collectively with our GAAP financial information, provide useful supplemental information to investors in assessing our operating performance. Non-GAAP financial measures should not be considered as an alternative to GAAP financial information or as an indication of operating performance or any other measure of performance derived in accordance with GAAP, and may not provide information that is directly comparable to that provided by other companies in its industry, as these other companies may calculate non-GAAP financial measures differently, particularly related to non-recurring, unusual items.

**Adjusted EBITDA**

Adjusted EBITDA is a key performance measure that management uses to assess our operating performance. Because adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure for business planning purposes.

We also believe this information will be useful for investors to facilitate comparisons of our operating performance and better identify trends in our business. We expect adjusted EBITDA to increase over the long-term, as we continue to scale our business and achieve greater leverage in our operating expenses.

We calculate adjusted EBITDA as net income (loss) adjusted to exclude: change in fair value of public and private placement warrants, change in fair value of earn-out shares liability, other (income), net; interest expense; provision for income taxes; depreciation and amortization expense; stock-based compensation expense; foreign currency gain/loss; management fees incurred from our historical private equity owners; one-time or non-recurring items such as transaction costs (including

transactions costs with respect to the business combination in May 2021); and restructuring costs (including those associated with COVID-19).

#### **About The Beauty Health Company**

BeautyHealth is a category-creating beauty health company focused on bringing innovative products to market. Our flagship brand, HydraFacial, is a non-invasive and approachable beauty health platform and ecosystem with a powerful community of estheticians, consumers and partners, bridging medical and consumer retail to democratize and personalize skin care solutions for the masses. Leading the charge in beauty health as a category-creator, HydraFacial uses a unique delivery system to cleanse, extract, and hydrate with our patented hydradermabrasion technology and super serums that are made with nourishing ingredients, providing an immediate outcome and creating an instantly gratifying glow in just three steps and 30 minutes. HydraFacial® and Perk™ products are available in over 87 countries with over 19,000 Delivery Systems globally and millions of treatments performed each year. For more information, visit the brand on LinkedIn, Facebook, Instagram, or at HydraFacial.com. For more information, please visit at <https://investors.beautyhealth.com/>.

#### **Forward-Looking Statements**

Certain statements made in this release are "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside The Beauty Health Company's control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements.

Important factors, among others, that may affect actual results or outcomes include the inability to recognize the anticipated benefits of the business combination; costs related to the business combination; the inability to maintain the listing of The Beauty Health Company's shares on Nasdaq; The Beauty Health Company's ability to manage growth; The Beauty Health Company's ability to execute its business plan; potential litigation involving The Beauty Health Company; changes in applicable laws or regulations; the possibility that The Beauty Health Company may be adversely affected by other economic, business, and/or competitive factors; and the impact of the continuing COVID-19 pandemic on the Company's business. The Beauty Health Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

#### **Contacts**

ICR, Inc.  
Investors: Dawn Francfort  
Email: [BeautyHealthIR@icrinc.com](mailto:BeautyHealthIR@icrinc.com)  
Press: Alecia Pulman  
Email: [BeautyHealthPR@icrinc.com](mailto:BeautyHealthPR@icrinc.com)

# INVESTOR PRESENTATION

JANUARY 2022

 **BEAUTYHEALTH™**

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## DISCLAIMER

This Presentation contains certain forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance of The Beauty Health Company (the "Company"), the calculation of certain key financial and operating metrics, capital expenditures, the introduction of new products, expansion into new markets and the ability to execute certain strategic initiatives. Some of the forward-looking statements can be identified by the use of forward-looking words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimate," "targets," "projects," "should," "could," "would," "may," "will," "forecast" and other similar expressions. These are intended to identify forward-looking statements. All forward-looking statements are based upon management estimates and forecasts and reflect the views, assumptions, expectations, and opinions of the Company as of the date of this Presentation, and may include, without limitation, changes in general economic conditions as a result of COVID-19, all of which are subject to change. Any such estimates, assumptions, expectations, forecasts, views or opinions set forth in this Presentation constitute the Company's judgments and should be regarded as indicative, preliminary and for illustrative purposes only. The forward-looking statements and projections contained in this Presentation are subject to a number of factors, risks and uncertainties, some of which are not currently known to us, that may cause the Company's actual results, performance or financial condition to be materially different from the expectations of future results, performance or financial condition. Although such forward-looking statements have been made in good faith and are based on assumptions we believe to be reasonable, there is no assurance that the expected results will be achieved. Many factors could adversely affect our business and financial performance. We discussed a number of material risks in our Prospectus filed pursuant to Rule 424(b)(5) of the Securities Act on July 26, 2021 and other filings with the Securities and Exchange Commission. Those risks continue to be relevant to our performance and financial condition. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise.

This Presentation contains estimates relating to market size and other data about our industry, including research, surveys or studies conducted by third parties, information provided by customers and/or industry or general publications. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. While we believe that such information is reliable, we have not independently verified, and make no representation as to the accuracy of, such information.

## ABOUT THE PRESENTER



**LIYUAN WOO**  
Chief Financial Officer  
Experience: 24 Years

- Joined BeautyHealth in September 2020
- Former COO and CFO of The VOID, a virtual reality entertainment company
- Served as CFO for a number of companies such as SharkNinja, Gymboree, and bebe
- Deloitte M&A and Financial Advisory Services



bebe Shark|NINJA

GYMBOREE Deloitte.



WE ARE

 **BEAUTYHEALTH™**

Deeply Connecting You to the BeautyHealth Community Where You Live, Work & Play

**CONSUMER**

We take the consumer's view, providing them with experiences tailored to their needs


**EDUCATOR**

We provide education and support to our core customers, aestheticians & providers, to ensure the quality of experiences for the community

**'AND' COMPANY**

We are an 'and' company, forging strategic partnerships throughout our community. The community we're building benefits everyone – the consumer, customer and our company

# FINANCIAL HIGHLIGHTS

<b>+56%</b> Net Sales growth <sup>1</sup>	<b>19,000+</b> Global Delivery Systems installed <sup>2</sup>	<b>~5,000</b> Delivery Systems sold <sup>3</sup>	<b>69% / 73%</b> Gross Margin (US GAAP) / Adjusted Gross Margin <sup>4</sup>
<b>\$200</b> Average cost per treatment to the consumer <sup>5</sup>	<b>~75%+</b> Gross margin to provider per treatment <sup>6</sup>	<b>~5 month</b> Average Delivery System payback period <sup>5</sup>	<b>99%</b> RealSelf "Worth It" rating
<b>~\$900M</b> Cash on hand <sup>7</sup>	<b>15</b> Direct markets served <sup>2</sup>	<b>Millions</b> Participants in the BeautyHealth community	

Source: Company data. <sup>1</sup> For the YTD period ending 09/30/21 vs. YTD period ending 09/30/19. <sup>2</sup> As of 09/30/21. <sup>3</sup> For the trailing twelve-month period ended 09/30/21. <sup>4</sup> YTD 09/30/21. Adjusted Gross Margin is a non-GAAP measure; please refer to the appendix for a reconciliation of US GAAP Gross Margin to Adjusted Gross Margin. <sup>5</sup> The market research conducted by Boston Consulting Group commissioned by the Company in 2019 reflecting pre-COVID conditions. <sup>6</sup> Assumes \$200 average price per treatment, \$13 average consumable cost per treatment, and depreciation of a \$30,000 Delivery System with an estimated useful life of 7 years. <sup>7</sup> This figure for cash proceeds generated from exercises of Public Warrants announced 11/08/21.

BEAUTY HEALTH  
CATEGORY  
CREATOR

APPROACHABLE &  
EFFECTIVE



SKIN CORRECTION

Medical delivery  
technology-focused  
Lasers, Ultrasound, Fillers, Toxins

SKIN CARE

Daily, over-the-counter  
skin care  
Serums, Creams, Lotions, Supplements

BEAUTY HEALTH



hydracial<sup>®</sup>

Highly effective, non-invasive and approachable treatment

Bridging professional and retail skin care markets

# 3 STEPS. 30 MINUTES. THE BEST SKIN OF YOUR LIFE!



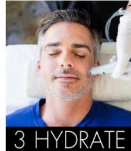
## 1 CLEANSE

Uncover a new layer of skin with gentle exfoliation and relaxing resurfacing, using signature solutions.



## 2 EXTRACT

Remove debris from pores with painless suction. Nourish with intense moisturizers that quench skin.



## 3 HYDRATE

Saturate the skin's surface with antioxidants and peptides to maximize your glow.



**\$200**  
Average  
cost to consumer

**Monthly**  
Recommended  
frequency

### Personalized Treatment Enhancements



#### BOOSTERS

Boosters address specific skin concerns such as acne, hyperpigmentation, dry skin, and wrinkles



#### KERAVIVE

Keravive is a relaxing treatment designed to cleanse, exfoliate, nourish, and hydrate the scalp for healthier, fuller-looking hair

14 / 11  
Boosters of which are partner boosters

PARTICIPATING IN  
HIGH-GROWTH  
CATEGORIES  
WITHIN  
PERSONAL CARE

SPA SERVICES  
GROWING ACROSS  
ALL TYPES OF  
TREATMENTS,  
PARTICULARLY IN  
FACIALS

Source: Third party research 2019 reflecting pre-COVID conditions



11.1%  
expected growth in  
U.S. medical spa services  
(2017-2025)



6.4%  
expected growth in  
U.S. spa facilities  
(2017-2022)



14.0%  
expected growth in U.S. skin care  
specialists (2016-2026)

# CONSUMERS INCLINED TO SPEND ON BEAUTY & HEALTH



## EXPERIENTIAL

- Aging millennials are spending more on skincare, preferring experiences over products
- Holistic, inside-out beauty
- Increased emphasis on rituals



## GROWTH IN DISPOSABLE INCOME

- As U.S. economy grows, consumers have more disposable income to spend on premium products



## CHANNEL GROWTH & DYNAMICS

- Multi-brand retailers (e.g., Sephora, Ulta and Nordstrom)
- Shift to digital
- Travel retail
- Consumers embracing affordable luxury



## INFLUENCERS & SOCIAL MEDIA DRIVING PURCHASE DECISIONS

- Online demos, which originally gained popularity in cosmetics, are becoming increasingly influential in skincare
- Skincare increasingly valued in age of selfies/social media



## EMBRACING NATURAL & INCLUSIVITY

- Showcasing skin vs covering it up
- Clean, sustainable, "natural-ish"
- All-in beauty: gender, age, skin type



## NEXT GEN BEAUTY

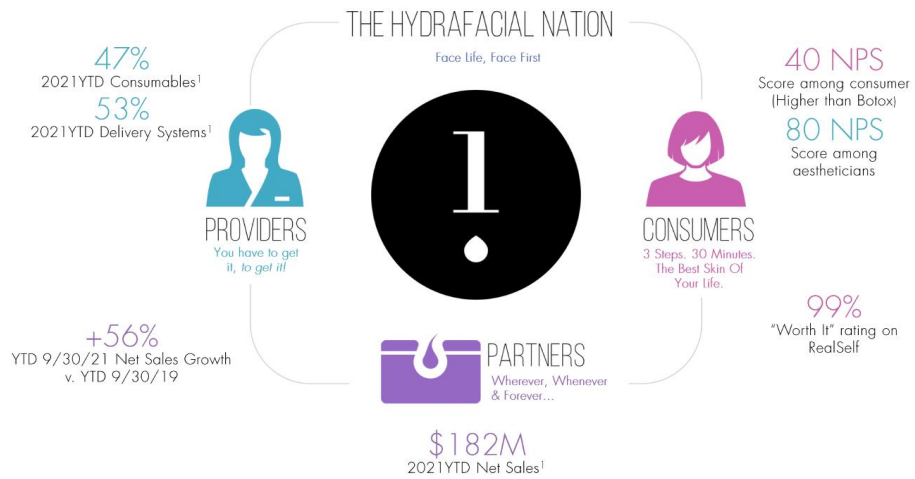
- Personalization
- Digital beauty

# FAVORABLE MARKET SHIFTS BENEFITING THE HYDRAFACIAL BUSINESS MODEL

<p>SKIN HEALTH</p> <p>HYDRAFACIAL IS AN <b>AND</b> COMPANY NOT AN <b>OR</b> COMPANY</p>	<p>Today's consumers are seeking approachable and effective skin health solutions that bridge the gap between OTC and invasive options</p> <p>95% of Hydrafacial customers use other treatments in a year</p> <p>NON-INVASIVE: Medical grade skincare, light therapy, Basic facial, Micro dermabrasion, Micro-needling, Chemical peels, Toners, Injectables, Non-surgical face lifts</p> <p>INVASIVE: Plastic surgery</p>			
<p>EXPANDING DEMOGRAPHICS</p>	<p>Facial consumers are more diverse across genders and are younger than ever before, offering a significant market opportunity</p> <p>ACROSS GENERATIONS: Over 30% of customers at beauty retailers (Ulta, Sephora, etc.) are under 24</p> <p>ACROSS GENDERS: Providers predict ~2x growth in male mix of total facial patients</p> <p>ACROSS GEOGRAPHIES: Huge international growth opportunity in Asia &amp; Europe, making up ~70% of world's population</p> <p>EXPANDING THE CATEGORY TO ATTRACT NEW DEMOGRAPHICS, WHILE STILL BEING THE TREATMENT OF CHOICE FOR 45+ FEMALES</p>			
<p>SIGNIFICANT OPPORTUNITY ACROSS CHANNELS</p>	<p>Consumers seek an experience across all channels of service</p> <table border="0"> <tr> <td data-bbox="810 645 960 752"> <p>Spa Service Market</p> <p>Regular and \$\$</p> </td> <td data-bbox="1011 645 1136 752"> <p>Aesthetics Market</p> <p>Occasional and \$\$\$</p> </td> <td data-bbox="1187 645 1343 752"> <p>Beauty Retail Market</p> <p>Often and \$</p> </td> </tr> </table>	<p>Spa Service Market</p> <p>Regular and \$\$</p>	<p>Aesthetics Market</p> <p>Occasional and \$\$\$</p>	<p>Beauty Retail Market</p> <p>Often and \$</p>
<p>Spa Service Market</p> <p>Regular and \$\$</p>	<p>Aesthetics Market</p> <p>Occasional and \$\$\$</p>	<p>Beauty Retail Market</p> <p>Often and \$</p>		

Source: Third party research 2019 reflecting pre-COVID conditions; United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, Online Edition, Rev. 1

# THE POWER OF THE NATION



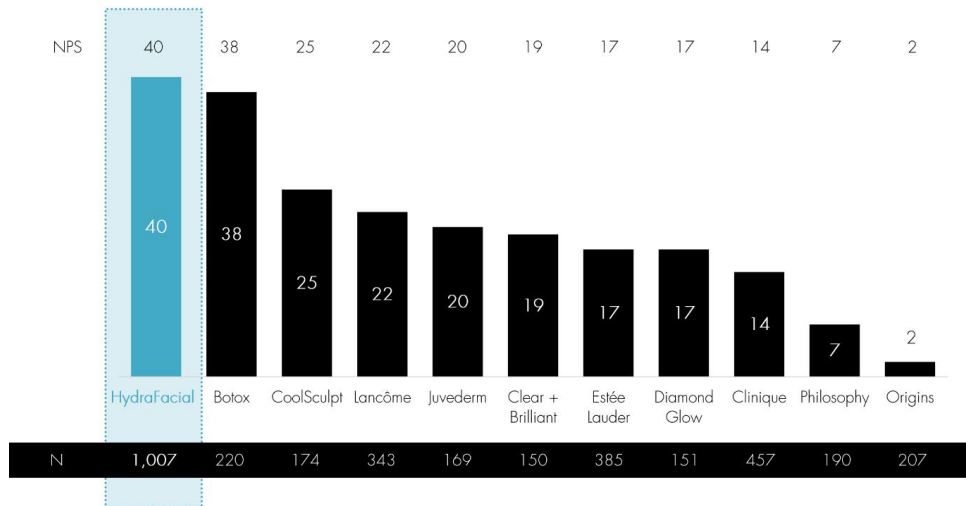
Source: Third party research 2019 reflecting pre-COVID conditions.  
 Note: 2021 financial figures are unaudited. NPS = Net Promoter Score as of 2019.  
<sup>1</sup> Based on 9 months ended 09/30/21 (truncated)



## THE MASTER PLAN

1. Sell a lot of products, use that money to...
2. Invest in our ~~skincare~~ providers, use that relationship to...
3. Find the consumers and build a direct relationship.
4. Leverage technology to connect them where they live, work, and play.
5. Build the ultimate flywheel of influence!

# HYDRAFACIAL NPS RANKS HIGHEST ACROSS BRANDED AESTHETICS AND MEDTECH PEERS



Source: Third party research 2019 reflecting pre-COVID conditions.  
 Note: NPS – Net Promoter Scores of 2019. Other brands listed are top 5 treatment and top 5 skincare brands used by HydraFacial users; N – Number of responses

# TODAY



Delivery Systems account for **53%** of Net Sales<sup>1</sup>

- The patented HydraFacial systems generate~ 3.2M treatments performed annually
- One-time placement generates treatments (revenue) for 3-7 yrs

Consumables account for **47%** of Net Sales<sup>1</sup>

- Every treatment uses
- Through which flow
- And customizable



# TOMORROW

Next Gen System connects consumer via app and home handheld device to professional system and the community



360° CONNECTIVITY

KERAVIVE SYSTEM

HOME EXTENSION

PERK AT RETAIL

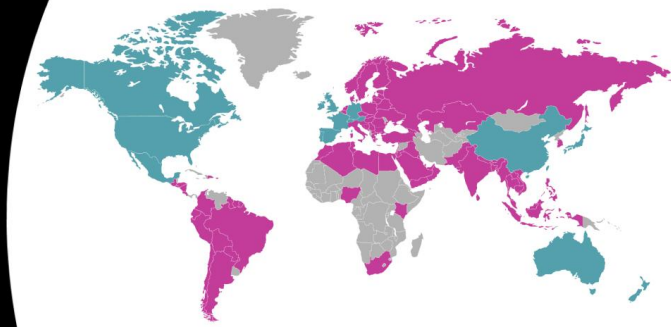
<sup>1</sup> Based on 9 months ended 09/30/21 as % of Net Sales (unaudited)

# OUR PRESENCE AROUND THE GLOBE

Loved in  
**87+**  
Countries and Territories  
Worldwide

**19,000+**  
Delivery Systems

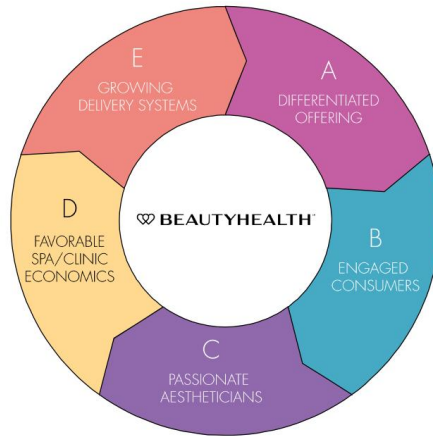
**15**  
Direct Markets  
2021



LOVED AROUND THE WORLD

Direct Distributor

# POWERFUL FLYWHEEL DESIGNED TO DRIVE COMPETITIVE POSITIONING



- A** **Differentiated offering to build brand**
  - Technologically advanced offering with high consumer and provider engagement
  - Customization/Personalization to skin concern
- B** **Strong base of engaged consumers to fuel growth**
  - 50-60% Millennials (vs. ~40% of facial users), a highly engaged demo
  - 15% of users get 4+ HydraFacial treatments in a given year
  - 40 NPS (vs. 5-15 NPS for other skincare brands used by our customers)
- C** **Passionate aesthetician community to recommend HydraFacial**
  - Avid social discussion; 5x more aesthetician posts than competitors
  - Aestheticians actively recommending (80 NPS; 45% of users learned about HydraFacial from their provider)
  - Aestheticians make ~20% more than from a traditional facial
- D** **Favorable spa/clinic economics to increase HydraFacial share**
  - Payback of delivery system in ~5 months
- E** **Growing installed base to fund new investments**
  - As HydraFacial grows, investing in training to expand upon aesthetician loyalty
  - Investing in targeted S&M investments to create deeply loved brand and R&D efforts to improve offering/create innovative products

Source: Third party research 2019 reflecting pre-COVID conditions

LED BY A  
VISIONARY  
AND  
EXPERIENCED  
EXECUTIVE  
TEAM

230+  
COLLECTIVE  
YEARS  
OF  
EXPERIENCE



**BRENT SAUNDERS**  
Interim CEO & Executive  
Chairman

Experience: 25 Years



**IYUAN WOO**  
Chief Financial  
Officer

Experience: 24 Years



**JWALA KARNIK, MD**  
EVP of Global Strategy &  
Partnerships

Experience: 26 Years



**BEN BAUM**  
Chief Experience  
Officer

Experience: 25 Years



**INDRA PAMMULL**  
President of APAC

Experience: 25 Years



**STEPHAN BECKER**  
President of EMEA

Experience: 24 Years



**DAN WATSON**  
EVP, Sales Americas

Experience: 36 Years



**KELLIE SEARS**  
Chief HR Officer

Experience: 29 Years



**PAUL BOKOTA**  
VP & General Counsel

Experience: 24 Years



# STRATEGIC INVESTMENTS



## RELENTLESSLY INNOVATE AS A CATEGORY CREATOR

- Category ownership - skin & scalp health
- Launch system 2.0 with personalized services
- Value added innovation across all touchpoints – serums, devices, and experiences
- Connector platform - build robust and scalable programs that solidify relationship with aestheticians & providers and end-consumers



## DRIVE CONSUMER DEMAND WITHIN THE COMMUNITY

- Turn up marketing of the brand, as well as wellness and personalization messaging
- Accelerate provider engagement through education and events
- Invest in promotional activities and partnerships



## EXPAND GLOBAL FOOTPRINT

- Invest in EMEA and APAC HQs for scaling
- Convert distributor markets to direct through M&A



## M&A

- Target companies with leading positions in the Beauty Health spectrum
  - Growth-oriented
  - High NPS
  - Recurring revenue characteristics
  - Attractive margin profile
  - Leverage our current install base

# INVESTMENT HIGHLIGHTS

1 CATEGORY-CREATING PRODUCT

2 CUSTOMER LOYALTY

3 COMMANDING PLATFORM

4 MULTI-DIMENSIONAL GROWTH OPPORTUNITIES

5 COMPELLING ECONOMIC PROFILE

6 PROPRIETARY TECHNOLOGY

7 EXPERIENCED MANAGEMENT AND BOARD





# APPENDIX

## Description of Non-GAAP Financial Measures

In addition to results determined in accordance with accounting principles generally accepted in the United States of America (GAAP), management utilizes certain non-GAAP financial measures such as Adjusted Gross Margin for purposes of evaluating ongoing operations and for internal planning and forecasting purposes. We believe this non-GAAP financial measure, when reviewed collectively with our GAAP financial information, provides useful supplemental information to investors in assessing our operating performance. This non-GAAP financial measure should not be considered as an alternative to GAAP financial information or as an indication of operating performance or any other measure of performance derived in accordance with GAAP, and may not provide information that is directly comparable to that provided by other companies in its industry, as these other companies may calculate non-GAAP financial measures differently, particularly related to non-recurring, unusual items.

## Adjusted Gross Margin

We use Adjusted Gross Margin to measure our profitability and ability to scale and leverage the costs of our Delivery Systems and Consumables net sales. The continued growth of our Delivery Systems is expected to allow us to improve our Adjusted Gross Margin, as additional Delivery System units sold will increase our recurring Consumables net sales, which has higher margins.

We believe Adjusted Gross Margin are useful measures to the Company and our investors to assist in evaluating our operating performance because they provide consistency and direct comparability with our past financial performance and between fiscal periods, as the metrics eliminate the effects of amortization and depreciation, which are non-cash expenses that may fluctuate for reasons unrelated to overall continuing operating performance. Adjusted Gross Margin has been and will continue to be impacted by a variety of factors, including the product mix, geographic mix, direct vs. indirect mix, the average selling price on Delivery Systems, and new product launches. We expect our Adjusted Gross Margin to fluctuate over time depending on the factors described above.

The following table reconciles Gross Margin to Adjusted Gross Margin for the period presented:

For the Nine Months Ended September 30, 2021 (\$000s)	
Net Sales	\$182,197
Less: Cost of Sales	(57,131)
Gross Profit (GAAP)	\$125,066
Gross Margin (GAAP)	69%
Adjusted to exclude the following:	
Stock-Based Compensation Expense	222
Depreciation and Amortization Expense	7,747
Adjusted Gross Profit	\$133,035
Adjusted Gross Margin	73%

