

**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): June 9, 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 Capital Market

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 7.01. Regulation FD Disclosure.

The Beauty Health Company (the "Company") expects to use the presentation attached to this Current Report on Form 8-K (the "Current Report") as Exhibit 99.1 (the "Investor Presentation") and incorporated herein by reference, in whole or in part, in connection with presentations to investors, analysts, and others at the William Blair 42nd Annual Growth Stock Conference on June 9, 2022 at 1:00pm Eastern Standard Time. The Investor Presentation is also available on the Company's website at: <https://investors.beautyhealth.com/>.

The information contained in the Investor 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 contains 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 attached hereto, 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 7.01 of this Current Report, including Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing, except as expressly set forth by specific reference in such a filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Investor Presentation</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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 hereunto duly authorized.

Dated: June 9, 2022

The Beauty Health Company

By: /s/ Liyuan Woo
Name: Liyuan Woo
Title: Chief Financial Officer

AN INTRODUCTION TO BEAUTYHEALTH

June 2022



SKIN
Nasdaq LISTED

BEAUTYHEALTH

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, projections of market opportunity, 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," "sustain," "project," "plan," "believe," "intend," "estimate," "target," "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 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2022 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.

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, adjusted EBITDA, adjusted EBITDA margin, and Adjusted Net Income (Loss) for purposes of evaluating ongoing operations and for internal planning and forecasting purposes. We believe these non-GAAP financial measures, when reviewed collectively with our GAAP financial information, provide useful supplemental information to investors in assessing our operating performance. These 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.

Management uses adjusted gross margin to measure profitability and the ability to scale and leverage the costs of Delivery Systems and Consumables. The continued growth of Delivery Systems is expected to improve adjusted gross margin, as additional Delivery Systems sold will increase our recurring Consumables net sales, which has higher margins. Management believes adjusted gross profit and adjusted gross margin are useful measures to the Company and its investors to assist in evaluating operating performance because they provide consistency and direct comparability with 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. Management expects adjusted gross margin to fluctuate over time depending on the factors described above.

Management uses adjusted EBITDA and adjusted EBITDA margin to facilitate internal comparisons of historical operating performance on a more consistent basis and uses these measures for business planning purposes. Management also believes this information will be useful for investors to facilitate comparisons of operating performance and better identify trends in the business. Management expects adjusted EBITDA margin to increase over the long-term, as the Company continues to scale and achieve greater operating leverage. The Company calculates 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 expense, net; interest expense; income tax benefit (expense); depreciation and amortization expense; stock-based compensation expense; foreign currency (gain) loss; management fees incurred from historical private equity owners; one-time or non-recurring items such as transaction costs (including transactions costs with respect to the Business Combination); and restructuring costs (including those associated with COVID-19).

Management uses Adjusted Net Income (Loss) to facilitate internal comparisons of historical operating performance on a more consistent basis and uses these measures for business planning purposes. The Company calculates Adjusted Net Income (Loss) 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 expense (income), net; amortization expense; stock-based compensation expense; 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); restructuring costs (including those associated with COVID-19) and the aggregate adjustment for income taxes for the tax effect of the adjustments described above.

ABOUT THE PRESENTERS



ANDREW STANLEICK
President and Chief
Executive Officer

- Joined BeautyHealth in February 2022
- Former EVP Americas, Coty; CEO, Kylie Jenner Beauty
- Advised Kim Kardashian on her KKW Beauty business
- President, COACH Europe and COACH Asia
- Unilever and L'Oréal marketing and GM roles (Europe, Russia, and APAC)



KYLIE COSMETICS

KKW BEAUTY



L'ORÉAL



LIYUAN WOO
Chief Financial Officer

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



bebe

Shark|NINJA

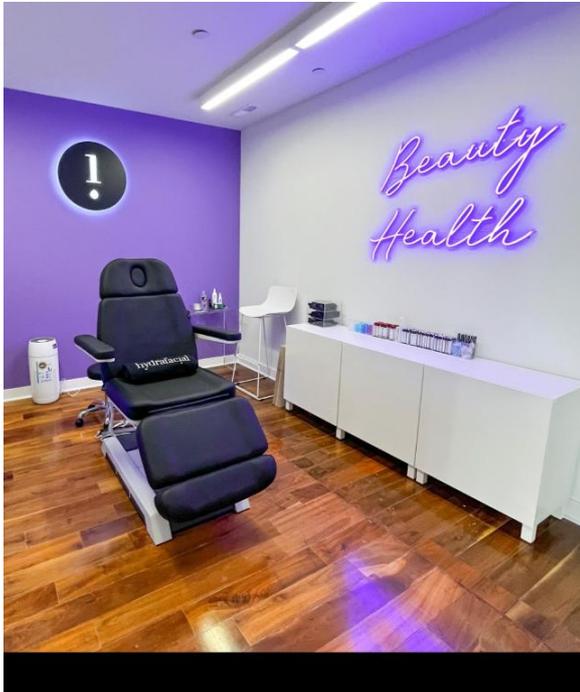
GYMBOREE

Deloitte.



AGENDA

1. Introduction to BeautyHealth
2. Financial Overview
3. Closing Remarks



INTRODUCTION TO BEAUTYHEALTH



ANDREW STANLEICK
President and Chief
Executive Officer

INTRODUCTION TO BEAUTYHEALTH

 Proven **category creator** and **community**

 **Digital platform** builder with **global runway**

 Growth-minded with **demonstrated profitability**¹

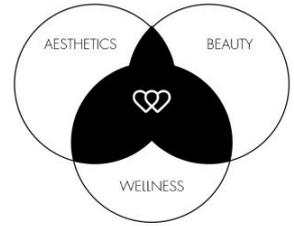
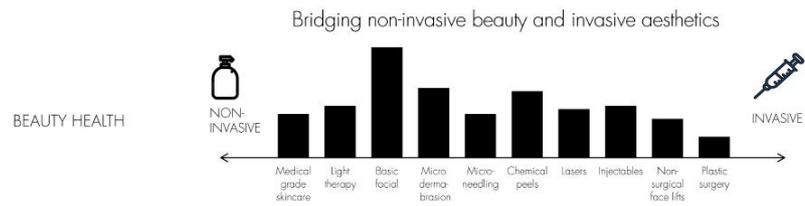
 **Essential**, not discretionary, purveyor of **confidence**



¹On an Adjusted EBITDA basis, which is a non-GAAP measure, please refer to the appendix for a reconciliation to the appropriate GAAP measure

UNIQUELY POSITIONED AT THE CONVERGENCE OF LARGE & HIGH-GROWTH CATEGORIES

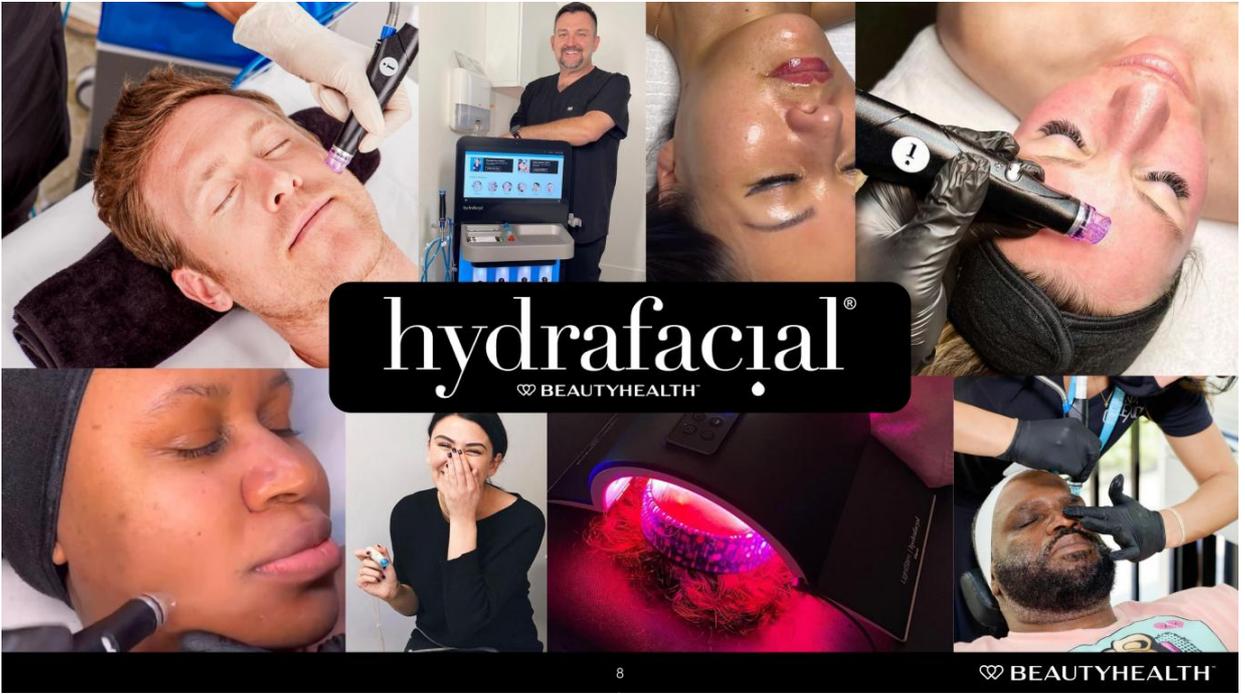
Favorable industry tailwinds



Category	~TAM (\$bn)	Growth
Wellness	\$1,500	5-10%
Personal Care & Beauty	955	8%
Skincare	155	5%
Haircare	95	3%
Spa Services	48	12%
Aesthetics	12	11%

Source: Third party research; 2012 reflects pre-COVID conditions; United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, Online Edition, Rev. J. McKinney & Company for 2021 estimated wellness market size and growth; Global Wellness Institute for 2020 estimated personal care & beauty market size and growth; Statista for 2021 estimated market size for skincare and haircare and growth; Grand View Research for 2020 estimated spa market size and growth; Vananga Market Research for 2022 estimated market size and growth.





CREATING THE CATEGORY

hydradermal

BEAUTYHEALTH

We are for **everyone**

- Instant gratification. Non-invasive. No downtime. No pain.
- Effective for all ages, genders, skin tones, and skin types

We are **more than a facial**

- Patented Vortex Fusion painlessly cleanses, extracts, and hydrates
- Applicable to more than just the face



Face



Lips



Scalp



Back



Décolleté



Booty

We are an **& company**

- Works with other procedures and partners with leading brands
- Omnichannel distribution

We are a **proven category-creator**

- First microdermabrasion device to market
- **Nearly 50 patents¹** on our technology



¹Includes 28 issued US patents and 21 pending US and PCT applications.

THE HYDRAFACIAL EXPERIENCE

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

1

Cleanse

Gentle exfoliation and **relaxing resurfacing** to uncover a new layer of skin



Base tip / Available upgrades

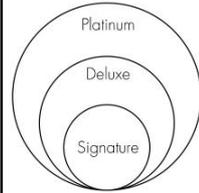
\$200

Average cost to consumer¹

Monthly
Recommended frequency

Upsells

Treatment options



2

Extract

Remove debris from pores with **painless suction**



Extraction tip

Boosters

- Personalized serums for specific concerns
- More than a dozen available (partnered with eight leading skincare brands)²



3

Hydrate

Saturate surface with antioxidants and peptides to create **instantly gratifying glow**



Vortex Fusion tip

HydraFacial Keravive

- Extract impurities from scalp and follicles
- Saturate scalp with peptide complex clinically shown to lead to healthier and fuller-looking hair



¹ Third party research 2019 reflecting pre-COVID conditions. ² Contact us for Beauty Boosters launching fall 2022

AGILE MARKETING TO BUILD COMMUNITY AND BRAND AWARENESS



245K
Followers



2M
#hydracial posts



315M
#hydracial views

Influence from all channels

- KOLs
- AESTHETICIANS
- INFLUENCERS
- CELEBRITIES

Key Opinion leader

11

hydracial

IT'S GLOW TIME

hydracial

BEAUTYHEALTH



BECOMING THE LARGEST DEPLOYER OF AESTHETICIANS WORLDWIDE



hydracial | CONNECT

- Network of global training and education centers hosting workshops and events for our community
- First-of-its-kind beauty health industry certification for providers

Impact

- ✓ ~5K providers trained in 2021
- ✓ Builds trust and affinity
- ✓ Accelerated growth in consumables purchases and system sales by trainees

WE ARE AN & COMPANY

- Omnichannel strategy – average consumer visits **3.2 locations**¹
- Can be **standalone or combined with other procedures**
 - 95% of HydraFacial consumers use other beauty treatments¹
- Co-branded boosters for **personalized experiences**

Potential medical channels



Dermatologists



Medical Spas



Plastic and
Aesthetic Surgeons

Potential non-medical channels



Beauty Retail



Cruises



Experiential Retail



Gyms / Studios



Hotels / Resorts



Non-medical Spas



Salons



Travel Retail

Booster partnerships



LOVED AROUND THE WORLD... AND NEAR YOU

📍 Office & Assembly Facility, Long Beach, CA



📍 New York Experience Center

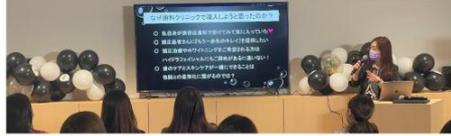


11
Global Experience
Centers

📍 London Experience Center



📍 Tokyo Experience Center



15
Direct Markets

📍 Shanghai Experience Center



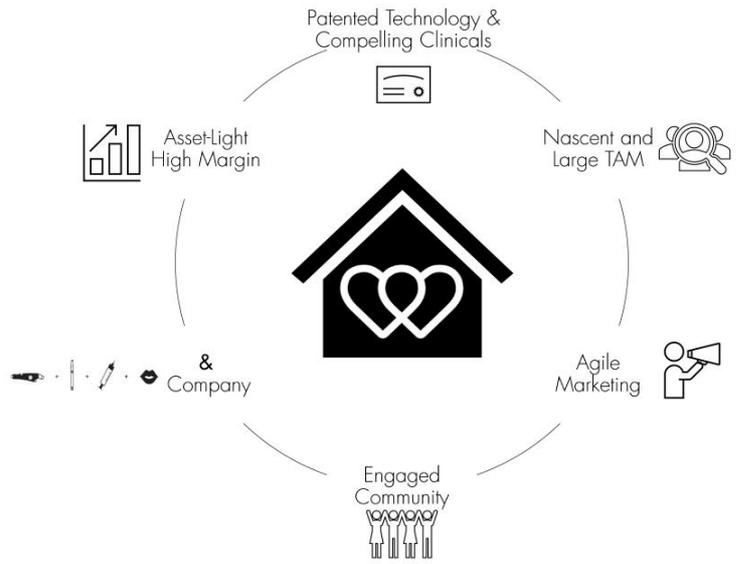
📍 GLOWvolution Mobile Installation



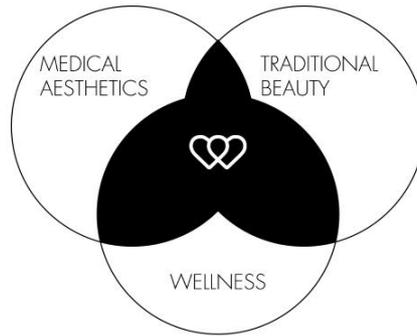
90+
Countries



COMPETITIVE STRENGTHS



SEEKING TO SUPERCHARGE THE PLATFORM WITH ACQUISITIONS



Acquisition criteria

- 1 Differentiated product or service / high Net Promoter Score
- 2 Complementary to our existing platform and community, leveraging the trusted aesthetician
- 3 Financially attractive profile via compelling revenue growth, recurring revenue characteristics, and / or profitability



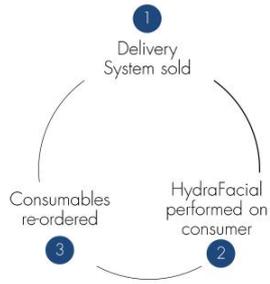
FINANCIAL OVERVIEW



LIYUAN WOO
Chief Financial Officer



THE HYDRAFACIAL ECONOMIC MODEL



Delivery Systems



Quarterly KPIs

Tips

Consumables



Solutions



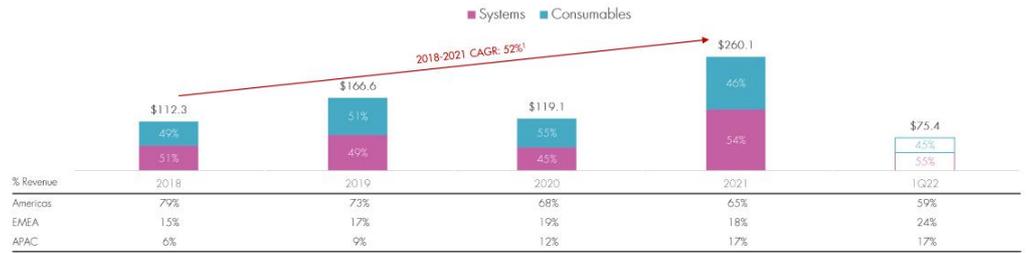
Boosters



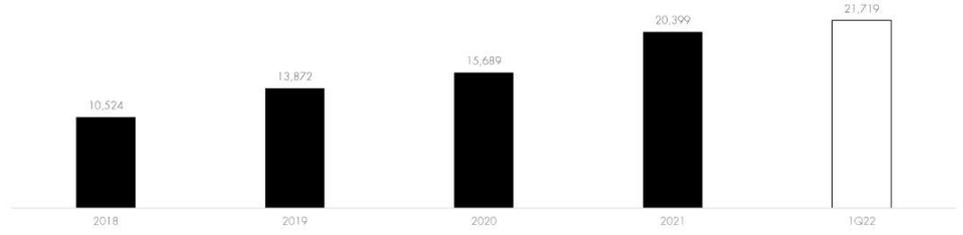
+ Co-branded partnerships

COMPELLING GROWTH PROFILE

Net Sales (\$mm)



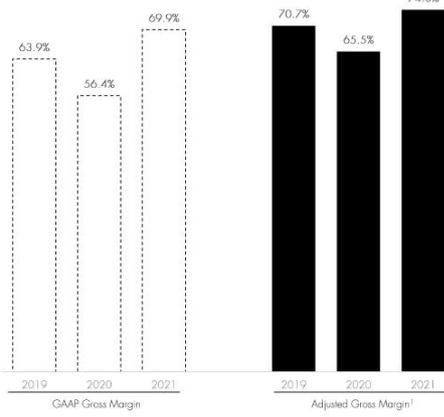
Delivery System Install Base



¹ Excludes 2020 due to the impact of COVID-19

COMPELLING GROWTH PROFILE (CONT'D)

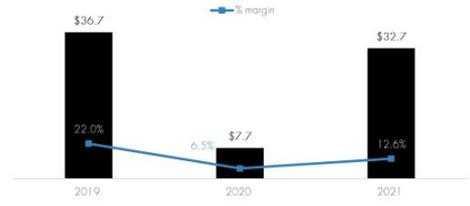
Gross margin



Net loss (\$mm)



Adjusted EBITDA (\$mm)¹



¹ Non-GAAP measure; please refer to the appendix for a reconciliation to the appropriate GAAP measure.

DEMONSTRATED TRACK RECORD OF SUCCESS

Recent highlights

Nasdaq listing
May 2021



Phase I (Americas rollout) implemented; Phase II (global rollout) underway

4
Distributors acquired



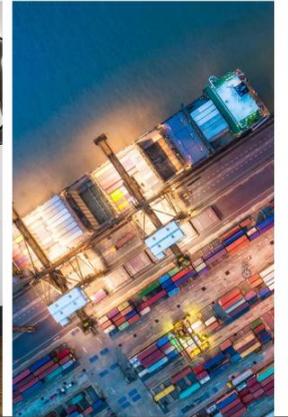
Global ERP
Implemented!



\$750,000,000
Convertible debt raised



Network optimization
Underway



WELL POSITIONED TO CONTINUE GROWTH MOMENTUM

 Place systems	 Increase utilization	 Drive brand awareness	 Expand globally	 M&A
<ul style="list-style-type: none"> ▪ Expand into new accounts ▪ 2nd system sales 	<ul style="list-style-type: none"> ▪ Upsell treatments and add-ons ▪ Leverage digital connectivity to improve performance 	<ul style="list-style-type: none"> ▪ High ROI and agile marketing initiatives ▪ Partner with thought leaders to broaden reach 	<ul style="list-style-type: none"> ▪ Build commercial infrastructure to penetrate vast global opportunity ▪ Increase penetration in still-early US home market 	<ul style="list-style-type: none"> ▪ Disciplined approach ▪ Acquire complementary brands that benefit HydraFacial Nation

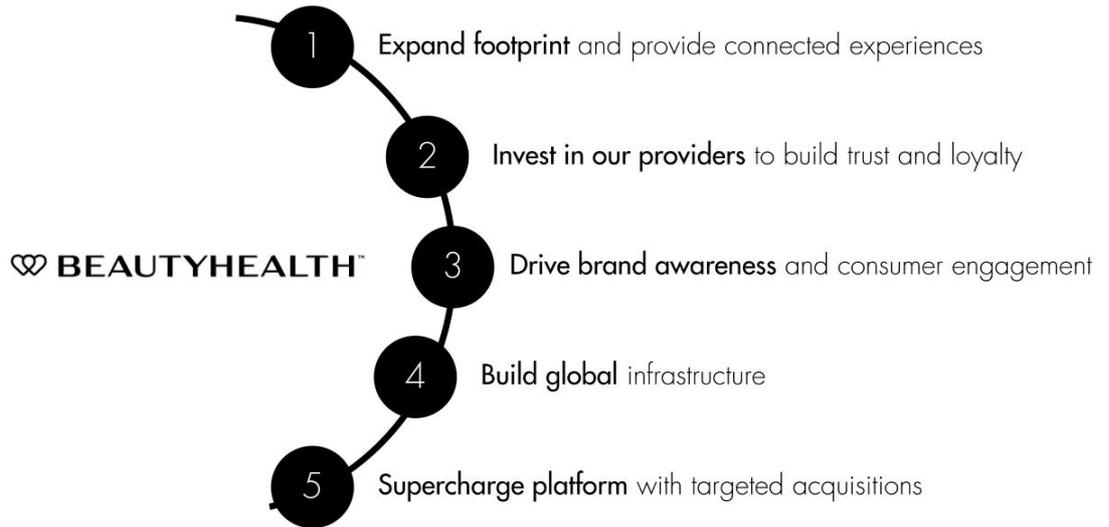


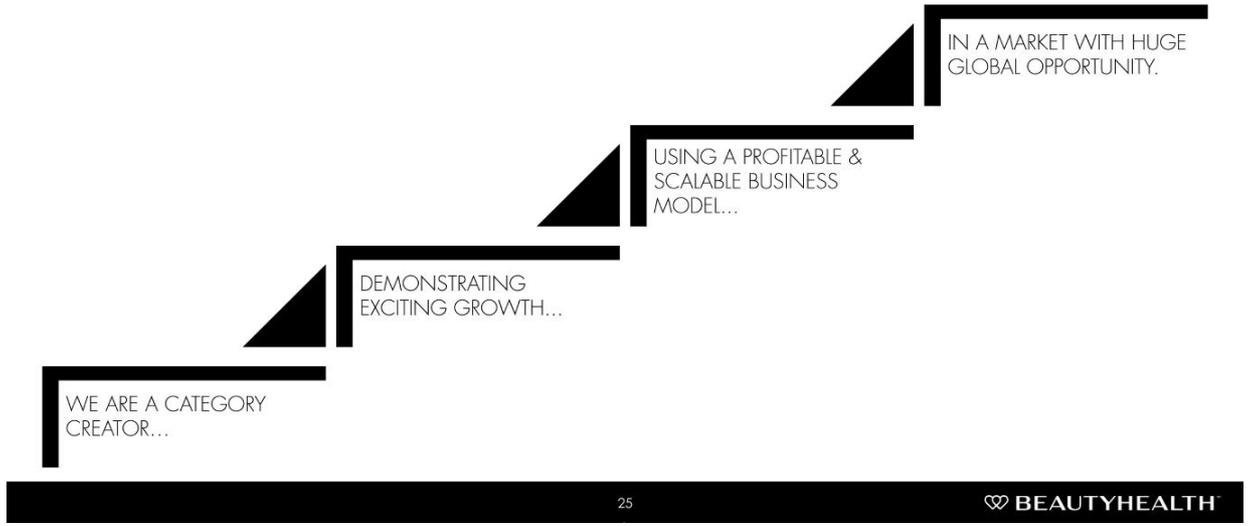
CLOSING REMARKS



ANDREW STANLEICK
President and Chief
Executive Officer

THE MASTER PLAN







APPENDIX

RECONCILIATION OF NON-GAAP MEASURES

Reconciliation of Gross Profit to Adjusted Gross Profit

(\$mm)	Year Ended December 31,		
	2021	2020	2019
Net sales	\$260.1	\$119.1	\$166.6
Less: cost of sales	(\$78.3)	(\$51.9)	(\$60.1)
Gross profit	\$181.8	\$67.2	\$106.5
Gross margin	69.9%	56.4%	63.9%
Adjusted to exclude the following:			
Stock-based compensation expense	0.4	–	–
Depreciation and amortization expense	10.3	10.8	11.3
Adjusted gross profit	\$192.5	\$78.0	\$117.8
Adjusted gross margin	74.0%	65.5%	70.7%

Reconciliation of Net loss to Adjusted Net Income (Loss)

Unaudited (in thousands)	Year Ended December 31,	
	2021	2020
Net loss	(\$375.1)	(\$29.2)
Adjusted to exclude the following:		
Change in FV of warrant liability	277.3	–
Change in FV of earn-out shares liability	47.1	–
Amortization expense	13.3	12.0
Stock-based compensation expense	12.4	0.4
Other expense (income)	4.5	0.0
Management fees ¹	0.2	1.5
Transaction related costs ²	34.9	4.2
Other nonrecurring and one-time fees ³	4.0	4.3
Aggregate adjustment for income taxes	(14.1)	(5.4)
Adjusted Net Income (Loss)	\$4.5	(\$12.1)

¹ Represents quarterly management fees paid to the former majority shareholder of the Company based on a pre-determined formula. Following the Business Combination, these fees are no longer paid. ² For the year ended December 31, 2021, such amounts primarily represent direct costs incurred with the Business Combination, including \$21.0 million paid to the former owner of Hydracial, and to prepare Hydracial to be marketed for sale by Hydracial's shareholders in previous periods. ³ For year ended December 31, 2021, such costs primarily represent one-time retention awards related to the distributor acquisitions and executive recruiting and severance fees. For the year ended December 31, 2020, such costs primarily represent COVID-19 related restructuring costs of \$3.2 million, including write-off of expired Consumables, discontinued product lines, human capital, cash management consultant fees, and, to a lesser extent, costs associated with a former warehouse and assembly facility during the transition period. For the year ended December 31, 2019, such costs include approximately \$4.0 million related to the move from a former warehouse and assembly facility to a new warehouse and assembly facility, approximately \$1.4 million to defend certain patents that were being infringed upon, and personnel costs associated with the restructuring of Hydracial's substance, partially offset by a legal settlement received in favor of Hydracial.

Reconciliation of Net Loss to Adjusted EBITDA and Adjusted EBITDA Margin

(\$mm)	Year Ended December 31,		
	2021	2020	2019
Net sales	\$260.1	\$119.1	\$166.6
Net income (loss)	(375.1)	(29.2)	(1.4)
Adjusted to exclude the following:			
Change in fair value of warrant liability	277.3	–	–
Change in fair value of earn-out shares liability	47.1	–	–
Depreciation & amortization expense	17.8	14.5	13.9
Stock-based compensation expense	12.4	0.4	0.1
Interest expense	11.8	21.3	17.1
Income tax benefit	(2.2)	(9.3)	(1.3)
Foreign currency loss, net	0.1	–	(0.2)
Other expense (income)	4.5	0.0	(0.5)
Management fees ¹	0.2	1.5	1.8
Transaction related costs ²	34.9	4.2	1.7
Other nonrecurring and one-time fees ³	4.0	4.3	5.7
Adjusted EBITDA	\$32.7	\$7.7	\$36.7
Adjusted EBITDA margin	12.6%	6.5%	22.0%

 **BEAUTYHEALTH™**
