

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): April 1, 2022

STRATA Skin Sciences, Inc.

(Exact Name of Registrant as Specified in Its Charter)

000-51481

(Commission File Number)

Delaware

(State or Other Jurisdiction of Incorporation)

13-3986004

(I.R.S. Employer Identification No.)

**5 Walnut Grove Drive, Suite 140
Horsham, Pennsylvania 19044**

(Address of principal executive offices, including zip code)

(215) 619-3200

(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 filing 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 |
|---|--------------------------|--|
| Common Stock, \$0.001 par value per share | SSKN | 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 7.01. Regulation FD Disclosure.

On April 1, 2022, STRATA Skin Sciences, Inc. (the “Company”) posted an investor presentation to its website at <https://strataskininc.com/gcs-web/>. A copy of the investor presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information set forth in this item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following presentation is furnished as an exhibit to this Current Report on Form 8-K and shall not be deemed to be “filed”:

| <u>Exhibit No.</u> | <u>Exhibit Description</u> |
|--------------------|---|
| 99.1 | Investor Presentation dated April 1, 2022, issued by Strata Skin Sciences, Inc. |
| 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.

STRATA SKIN SCIENCES, INC.

Date: April 1, 2022

By: /s/ Christopher Lesovitz
Christopher Lesovitz
Chief Financial Officer



STRATA

SKIN SCIENCES

Driving Value to Dermatology Partners

Matching Patients with Clinics

Investor Presentation

April 2022

Safe Harbor Statement

This presentation includes "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995. These statements include but are not limited to the Company's plans, objectives, expectations and intentions and may contain words such as "will," "may," "seeks," and "expects," that suggest future events or trends. These statements, the Company's ability to migrate customers from the Pharos system to XTRAC® and to execute new service agreements to at least portions of the Pharos user base, to generate the growth in its core business, including transitioning capital equipment purchasers into recurring revenue users, to integrate the Pharos service business into the Company's field service offering, the Company's ability to develop social media marketing campaigns, and the Company's ability to build a leading franchise in dermatology, are based on the Company's current expectations and are inherently subject to significant uncertainties and changes in circumstances. Actual results may differ materially from the Company's expectations due to financial, economic, business, competitive, market, regulatory, adverse market conditions or supply chain interruptions resulting from the coronavirus and political factors or conditions affecting the Company and the medical device industry in general, future responses to and effects of the COVID-19 pandemic and its variants including the distribution and effectiveness of the COVID-19 vaccines, as well as more specific risks and uncertainties set forth in the Company's SEC reports on Forms 10-Q and 10-K. Given such uncertainties, any or all these forward-looking statements may prove to be incorrect or unreliable. The statements in this presentation are made as of the date of this presentation, even if subsequently made available by the Company on its website or otherwise. The Company does not undertake any obligation to update or revise these statements to reflect events or circumstances occurring after the date of this presentation. The Company urges investors to carefully review its SEC disclosures available at www.sec.gov and www.strataskin.com.



Addressing large markets for chronic skin diseases with differentiated laser-based treatments

Customer base of ~1K partner practices and growing

Expanding international presence in key markets

Recurring revenue model drives repeat and sustainable revenues

Sales driven by expanding device usage & new partner practices

Recent product acquisitions opening significant growth opportunity

Positioned for Growth Acceleration in the Treatment of Chronic Skin Conditions

New Leadership

- CEO
- CFO
- VP Marketing
- VP of Professional Relations
- Director of Business Operations
- 3 new Board Members

Commercial Focus and Execution

- DTC marketing analytics
- Direct to dermatologist marketing
- Partnering with advocacy groups
- Sales training and focus
- International organic growth and expansion

Acquisitions

- Pharos excimer laser business from Ra Medical Systems, Aug '21
- Theraclear® acne business from Theravant, Jan '22
- Pipeline of new indications

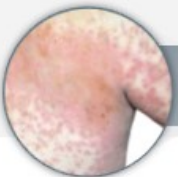
Large Unmet Need in Common and Chronic Dermatologic Conditions



PSORIASIS



VITILIGO



ATOPIC DERMATITIS

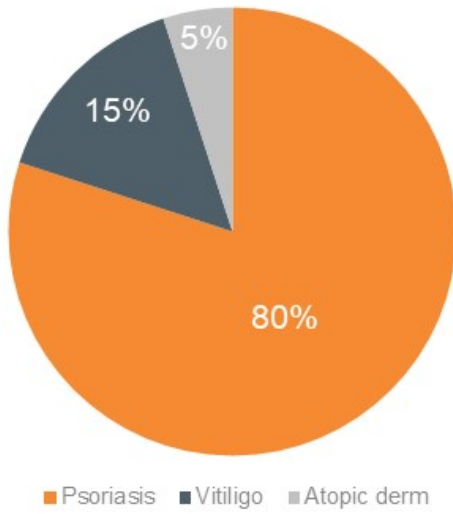
PSORIASIS: Autoimmune disease that causes the skin to regenerate faster than normal; characterized by red, itchy scaly patches (65% Mild; 25% Moderate; 10% Severe)
~8 Million patients in the U.S.³

VITILIGO: Autoimmune condition due to a loss of melanocytes, characterized by patches of skin losing its pigment
~5 Million patients in the U.S.⁴

ATOPIC DERMATITIS: Inflammatory condition characterized by red and itchy skin that flares-up periodically
~18 Million patients in the U.S.⁵

XTRAC® Treatments by Indication – United States

Treatments by Indication



Psoriasis treatments remain

#1 use for XTRAC® lasers domestically

Opportunities exist for expanding use for other approved indications

- Vitiligo
- Eczema (Atopic Dermatitis)

XTRAC®: Psoriasis

XTRAC®

The treatment for Psoriasis



Clinical Protocol – 6.2 treatments to PASI 75

PASI – A 75% reduction in the Psoriasis Area and Severity Index (PASI) score (PASI 75) is the current benchmark of primary endpoints for most clinical trials of psoriasis

Beam of UVB light applied to the affected area

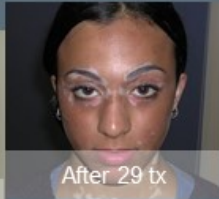
UVB light induces apoptosis of the keratinocytes and T cells in the dermis

Promotes immunosuppression

Induces alterations in cytokine profile

XTRAC[®]: Vitiligo

XTRAC[®]
The solution for Vitiligo



Beam of UVB light
applied to the
affected area

UVB light reduces the
immune system's
attack on the
melanocytes

Results in
re-pigmentation

Simple, safe, effective
+ long-lasting

Sample Studies from 150+ Clinical Studies

Multicenter Psoriasis Study⁷

124 patients were enrolled and 80 completed the protocol. 72% achieved at least **75% clearing in an average of 6.2 treatments**. 84% of patients reached improvement of 75% or better after 10 or fewer treatments. 50% of patients reached improvement of 90% or better after 10 or fewer treatments. Common side effects included erythema, blisters, hyperpigmentation, and erosions, but were well tolerated.

Vitiligo Study⁸

Out of 221 vitiligo patches treated, 50.6% showed 75% pigmentation or more, 25.5% achieved 100% pigmentation of their patches, and 64.3% showed 50% pigmentation or more. Lesions on the face responded better than lesions elsewhere. **Conclusion:** The 308-nm xenon chloride excimer laser is an effective and safe modality for the treatment of vitiligo, with good results achieved in a relatively short duration of time.

Scalp Study⁹

All patients improved. 17/35 (49%) of patients cleared **>95%** (mean: 21 treatments; range: 6-52) and 16/35 (45%) cleared 50-95%. **Conclusion** – The excimer laser is a successful approach to treatment of psoriasis of the scalp, being a simple treatment that can be performed in a short period of time with a high rate of effectiveness.

Pediatric Study¹⁰

4 children with a mean age of 11.0 years and 12 adults with a mean age of 48.8 years completed the protocol. Both the children and the adult groups yielded a significant decrease in psoriatic severity scores of their respective target lesions. The **children's group had a greater reduction (91.3% reduction)** as compared to the adult treatment group (61.6% reduction).

Treatment Options Addressing Psoriasis Indication⁶

| | XTRAC <small>LIVE CLEAR. LIVE FREE.</small> | | NB-UVB* | Topical Steroids | Non-biologic Systemics | Biologics |
|---------------------------|---|------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Approximate Costs (\$) | Cost competitive | 1K-3K | 3K-9K | 1K -7K | 1K | 32K-68K |
| Clinical Impact | Better clinical outcomes (PASI%75) | 92% | 71% | 75% | 48% | 50-70% |
| Speed of Onset (in weeks) | Very fast rate of response | 5 | 10 | 3 | 14 | 12 |
| Days of Actual Care | Least days of actual care | 18 | 80 | 294 | 52 | 12-65 |
| Remission | Remission without maintenance | 2.5 months | Continued with maintenance | Continued with maintenance | Continued with maintenance | Continued with maintenance |
| Adverse Events | Least significant side effects | Mild Temp | Mild Temp | Mild-Mod Temp-Lasting | Mild-Severe Temp-Lasting | Mild-Severe Temp-Lasting |

*Narrow band UVB Light Therapy

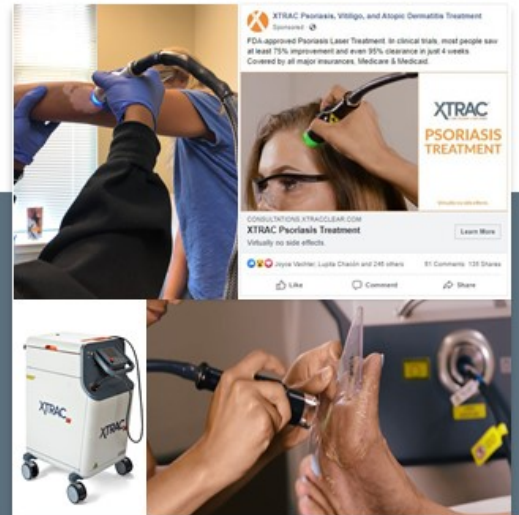
STRATA
SKIN SCIENCES

Source: "Therapies for Psoriasis: Clinical and Economic Comparisons" in the November 2020 issue of the Journal of Drugs in Dermatology.

XTRAC[®] is the Leader in Targeted 308nm Excimer Laser Therapy

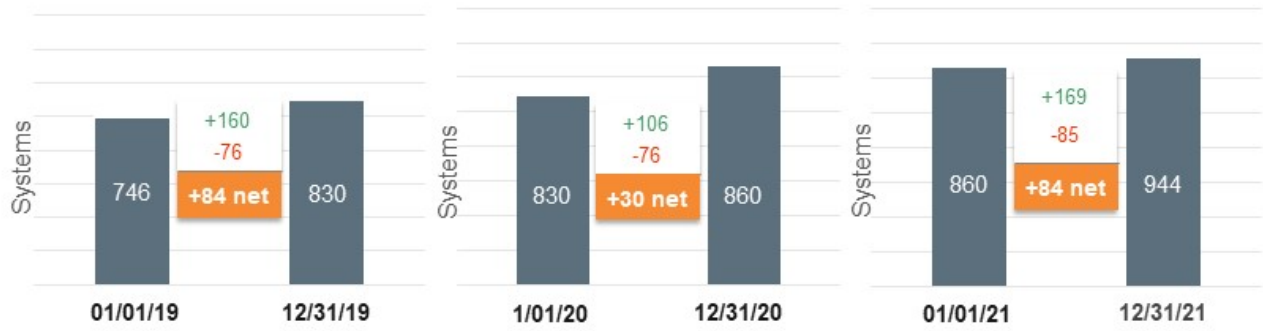
BEST-IN-CLASS EXCIMER TREATMENT

- ✓ Safe & Effective Treatment
- ✓ 150+ Peer-Reviewed Clinical Studies
- ✓ Economical for Patients and Payors
- ✓ Win-Win for Providers and their Patients



Growing Installed Base Drives Recurring Revenue Model

Net Installed Base Growth 2019-2021



25% growth in installed base over the last 3 years

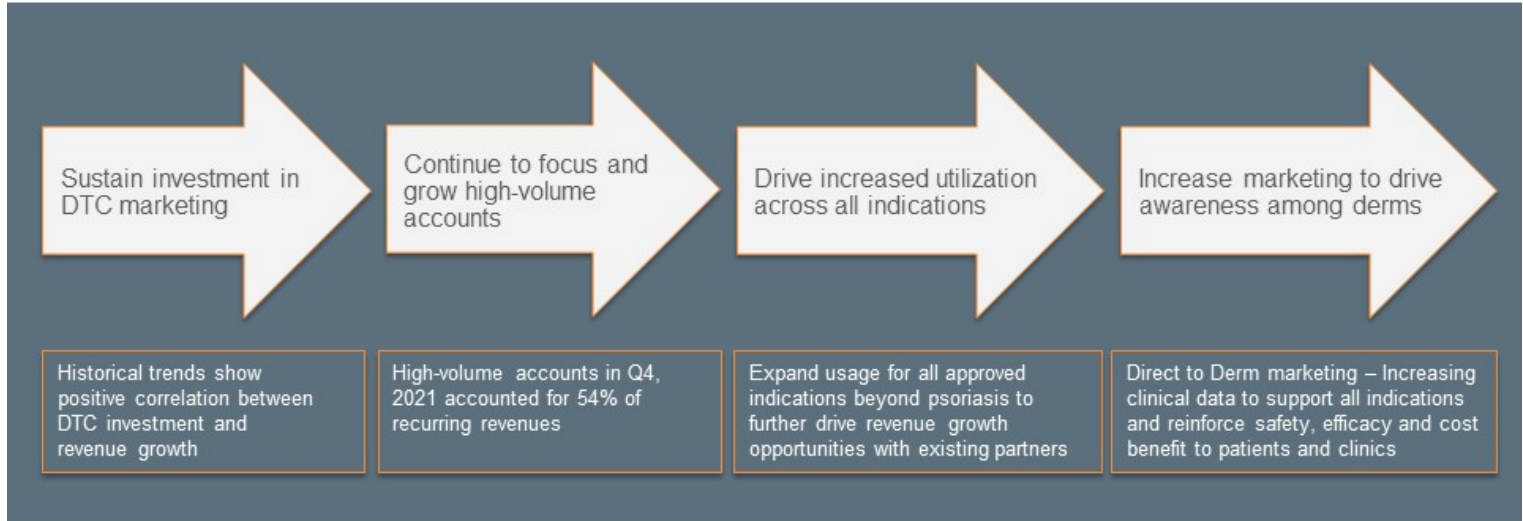
Actively redeploying under utilized devices

Group and international placements help drive growth

A True Partnership – Delivering a Complete Business Solution



Key Priority: Driving Commercial Execution



Domestic Market: – Sales and Service Engine



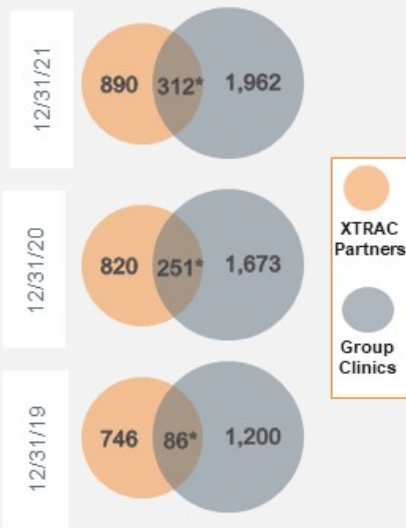
Territories color coded

Overview

- 4 Regions
- 30 Sales Territories
- 2 National Account Managers
- 15 Field Service Techs
- In-House Call Center to Qualify Leads
- Predominant Provider of Excimer Laser Treatments

XTRAC® Installed Base – Multiple Growth Drivers

XTRAC Growth in Groups



* Combination of new XTRAC placements and clinic acquisitions

Expansion into Group Clinic Roll Ups

- 1,962 clinics owned by 49 roll-up groups
- Opportunity to place multiple devices w/agreement
- 312 devices placed at 12/31/21, up from 251 at 12/31/20

Comebacks

- 300-400 clinics own excimer lasers
- Conversion to XTRAC partnership leads to immediate revenue
- 48 Comebacks in 2021, up from 23 at 12/31/20

International

- Current Markets: China, Japan, Saudi Arabia, S. Korea, Israel
- Insurance covered in most markets
- Usage per device higher than U.S. market
- 1,300 devices sold and in service
- 54 International partner XTRAC® clinics (up from 10 in 2019)



Acquired the U.S. Dermatology Business of Ra Medical Systems

- Provides STRATA with the opportunity to market its full business solution to Ra Medical's **existing customer base of 250+** active accounts
- Positions STRATA as **the predominant provider** of excimer laser treatments in the U.S.
- Thru 12/31/2021 successfully **converted 30 of 73 Pharos users** who have come off service agreements.
- An **additional 155** come off service agreements in 2022
- Pharos business anticipated to be **accretive in Q1 2022**

TheraClear Acquisition



Executive Management Team: 100+ yrs. dermatology experience

| | |
|--|--|
| Robert (Bob) J. Moccia, CEO | Encore Dermatology, Precision Dermatology, Medicis Pharmaceuticals, Graceway Pharmaceuticals, Bioglan Pharmaceuticals, Stiefel Laboratories, Dermik Laboratories (RPR) |
| Chris Lesovitz, CFO | Encore Dermatology, Iroko Pharmaceuticals |
| Shmuel Gov, VP of Operations, General Manager, Carlsbad | PhotoMedex, U.S.R. Electronic Systems Ltd., Galor Ltd.: Negevtech Inc, Orbotech Inc. (a KLA company) |
| Brent Cowgill, VP Marketing | Encore Dermatology, Vantage Marketing Group, Graceway Pharmaceuticals, Bristol Myers Squibb |
| Keith Simeone, VP Sales | PhotoMedex Inc.: Sales Director, ForTec Medical |
| John Bagdasarian, VP Professional Services | Incyte, EPI Health, Alcaris Therapeutics, Valeant Pharmaceuticals, Graceway Pharmaceuticals, 3M Pharmaceuticals |
| Jay Sturm, General Counsel | Mela Sciences, Volcano Capital LLC, GC Vital Signs, Inc. |

Financial Metrics

| | 2018 | 2019 | 2020 | Q1 '21* | Q2 '21* | Q3 '21* | Q4 '21* | 2021 |
|--------------------------------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|-----------------|
| Dermatology recurring revenue | \$21,053 | \$23,713 | \$17,409 | \$4,679 | \$5,452 | \$5,710 | \$6,687 | \$22,528 |
| Dermatology equipment revenue | \$8,802 | \$7,873 | \$5,681 | \$1,148 | \$1,930 | \$2,001 | \$2,370 | \$7,449 |
| Total revenue | \$29,855 | \$31,586 | \$23,090 | \$5,827 | \$7,382 | \$7,711 | \$9,057 | \$29,977 |
| Domestic partner installed base | 746 | 820 | 832 | 837 | 848 | 880 | 890 | 890 |
| Dermatology recurring revenue margin | 65% | 70% | 67% | 68% | 70% | 74% | 74% | 72% |
| Total Company margin | 57% | 64% | 61% | 64% | 65% | 70% | 66% | 66% |

* Unaudited quarterly results

Commercial Drivers in 2022

- ✓ Continue DTC advertising campaign with social media
- ✓ Added emphasis on professional relations and clinical communications
- ✓ Grow installed base and redeploy under-utilized devices
- ✓ XTRAC® Awareness: Co-Op advertising to suitable patients (digital + print)
- ✓ Sponsorship of select dermatology conferences and trade shows
- ✓ Continue transition and integration of Ra Medical's Pharos customers
- ✓ Develop patient advocacy partnerships
- ✓ Insurance coverage gap analysis and activity (vitiligo, atopic dermatitis)
- ✓ Launch new acne device based on acquired technology from Theravant
- ✓ Broadened commercial strategy to expand use within partner practices
- ✓ Sales force training and execution

STRATA Key Investment Takeaways



Differentiated Treatment
providing a Win-Win-Win for
Patients + Clinics + Payers



Addressing Large and
Growing Markets +
Positioned for Inorganic
Growth



Proven Business Model to
Expand + Achieve Sustainable
Results and Shareholder
Returns



Thank You



Appendix

Board of Directors

| | |
|--|---|
| William Humphries Chairman of the Board and Governance & Compensation Committee | CEO, Isosceles Pharmaceuticals, Inc. former President & Group Chairman Ortho Dermatologics, Merz Pharmaceuticals, Stiefel Pharmaceuticals, Allergan Pharmaceuticals |
| Dr. Uri Geiger | CEO Accelmed Inc. CEO Exalenz Bioscience, GalayOr Networks |
| Nachum Shamir Governance & Compensation Committee Chairman and Audit Committee | Chairman & CEO Luminex Corporation, CEO Given Imaging |
| Samuel Rubinstein Audit Committee and Governance & Compensation Committee | Chairman of Board Trima Pharmaceuticals, former CEO & General Manager Taro Pharmaceuticals, Inc. |
| Douglas Strang Audit Committee Chairman | Former partner PWC, Head of Global Pharmaceuticals & Life Science Advisory, US Pharmaceutical & Life Science Leader |
| Dr. Patricia Walker Audit Committee | Private Practice Dermatologist, previously: President and Chief Scientific Officer of Brickell Biotech Inc, Chief Medical Officer at Kythera Biopharmaceuticals, prior to becoming the Chief Medical Officer at Allergan Medical—she was VP Dermatology Therapeutic Area, Inamed's Executive Vice President and Chief Scientific Officer, Clinical faculty member at University of California Irvine's Dept. of Dermatology |
| Robert J. Moccia President & CEO | CEO STRATA Skin Sciences, CEO Encore Dermatology, Inc. CEO Precision Dermatology, Inc. |

Partner Academic Institutions



Strata Dermatology Markets Addressed

| | |
|---|--|
| <p style="text-align: center;">Psoriasis</p> <p>Psoriasis Treatment Market* Size (2019 to 2027)</p> <ul style="list-style-type: none">• 2019 Global Market Value of \$20.1B USD ¹• Projected Market Value of \$40.6B USD by 2027 ¹• CAGR of 9.2% 2020-2027 ¹ | <p style="text-align: center;">Eczema (Atopic Derm.)</p> <p>Eczema Treatment Market* Size (2020 to 2026)</p> <ul style="list-style-type: none">• 2020 Global Market Value of \$11.8B USD²• Projected Market Value of \$21.8B USD by 2026²• CAGR of 13.1% 2021-2026² |
| <p style="text-align: center;">Vitiligo</p> <p>Vitiligo Treatment Market* Size (2018 to 2026)</p> <ul style="list-style-type: none">• 2018 Global Market Value of \$1.2B USD³• Projected Market Value of \$1.9B USD by 2026³• CAGR of 5.8% 2019-2026³ | <p style="text-align: center;">Acne</p> <p>Acne Treatment Market* Size (2019 to 2027)</p> <ul style="list-style-type: none">• 2019 Global Market Value of \$7.7B USD³• Projected Market Value of \$11.1B USD by 2027³• CAGR of 4.6% 2020-2027³ |

Growing Demand for Drug-Free Treatment Options

