



FEATURED OPTIONS RADAR REPORT



Bulls Position for Upside in Up and Coming Aesthetics Tech Co

Ticker/Price: SKIN (\$25.25)

Beauty Health Co (SKIN) held the rising 55-MA and range low support yesterday and today trending higher with 1075 January \$25 calls bought \$3.30 offer as well as 1000 of the \$22.50 ITM calls bought \$4.60 to \$4.90. SKIN can take another leg higher to record highs on a flag breakout above \$27.75 and next reports in mid-November. SKIN has not seen a ton of options action but has some notable open interest in February \$25 and \$30 calls. HydraFacial is a category-creating beauty health company. Its offerings in skin care and scalp health occupy a position at the intersection of medical aesthetics and traditional skin and personal care products. HydraFacial uses a unique, Vortex-Fusion Delivery System to cleanse, extract, and hydrate with proprietary serums that are made with nourishing ingredients, offering consumers a gratifying glow in just three steps and 30 minutes. SKIN has a \$3.45B market cap and trades 13.8X EV/Sales with revenues seen rising 25%+ the next three years and the company is EBITDA profitable. SKIN is a leader in the US medical spa category seen growing at an 11.1% CAGR through 2021 and is at a favorable intersection of consumer spending, demographics and embracing natural. SKIN's three growth initiatives are raising consumer awareness, delivering innovation and expanding our international infrastructure. Analysts have an average target of \$30 and short interest is elevated at 17% of the float. Stifel started shares at Buy with a \$33 target last week seeing upside to 2022 and 2023 estimates on channel checks and international growth upside. Cowen started Outperform on 10/4 as a category leader with proprietary tech and low global awareness with upside to its connected device innovations and platform. Piper has a \$33 target and expects a robust 2022 citing the recent convert opening \$1B in dry powder for M&A and a top sales growth name across hybrid consumer/medtech.

Hawk Vision:



Hawk's Perspective: SKIN is a newer name I wanted to look into and like what I see, impressive growth, profitability with low penetration and plenty of room for upside.

Confidence Ranking: \$\$