
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 10, 2021

SIENTRA, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36709
(Commission
File Number)

20-5551000
(IRS Employer
Identification No.)

**420 South Fairview Avenue, Suite 200
Santa Barbara, CA 93117**
(Address of Principal Executive Offices and Zip Code)

Registrant's Telephone Number, Including Area Code: (805) 562-3500

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, par value \$0.01 per share	SIEN	The Nasdaq Stock Market LLC

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 (see General Instruction A.2. below):

- 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))

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 2.01. Completion of Acquisition or Disposition of Assets.

On June 10, 2021, Sientra, Inc., a Delaware corporation (“Sientra”), completed the previously announced sale of its miraDry business (the “Sale”) to miraDry Acquisition Company, Inc., a Delaware corporation (“Buyer”), an entity affiliated with 1315 Capital II, LP. The Sale was made pursuant to the terms and conditions of the Asset Purchase Agreement (the “Purchase Agreement”), dated May 11, 2021, among Sientra and certain of its subsidiaries, Buyer, and, solely for purposes of Section 8.14 of the Purchase Agreement, 1315 Capital II, LP,

The total cash received by Sientra was approximately \$11.3 million, subject to certain adjustments as set forth in the Purchase Agreement.

The consummation of the Sale transaction constituted a significant disposition for purposes of Item 2.01 of Form 8-K. Accordingly, the pro forma financial information required by Item 9.01 is included as Exhibit 99.1 to this Current Report on Form 8-K.

The above description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, a copy of which will be filed with the Company’s Quarterly Report on Form 10-Q for the period ending June 30, 2021.

Item 7.01. Regulation FD Disclosure.

On June 11, 2021, Sientra issued a press release announcing the events discussed in Item 2.01 above, the text of which is furnished as Exhibit 99.2 hereto and incorporated herein by reference.

The information contained in this Item 7.01, including Exhibit 99.2 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 under Section 18. Furthermore, the information contained in this Item 7.01, including Exhibit 99.2 hereto, shall not be deemed to be incorporated by reference into Sientra’s filings under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits**(b) Pro Forma Financial Information.**

The following financial information is included as Exhibit 99.1 to this Current Report on Form 8-K and is filed herewith and incorporated herein by reference:

- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2021.
- Unaudited Pro Forma Condensed Consolidated Statements of Operations for the year ended December 31, 2020 and the three months ended March 31, 2021.

(d) Exhibits.

Exhibit No.	Description
99.1	Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2021 and Unaudited Pro Forma Condensed Consolidated Statements of Operations for the year ended December 31, 2020 and the three months ended March 31, 2021.
99.2	Press Release, dated June 11, 2021.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

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.

Date: June 16, 2021

SIENTRA, INC.

By: /s/ Ronald Menezes

Ronald Menezes
President and Chief Executive Officer

Sientra, Inc
Unaudited Pro Forma Financial Statements

On June 10, 2021, Sientra, Inc., a Delaware corporation (“Sientra”), completed the previously announced sale of its miraDry business (the “Sale”) to miraDry Acquisition Company, Inc., a Delaware corporation (“Buyer”), an entity affiliated with 1315 Capital II, LP. The Sale was made pursuant to the terms and conditions of the Asset Purchase Agreement (the “Purchase Agreement”), dated May 11, 2021, among Sientra and certain of its subsidiaries, Buyer, and, solely for purposes of Section 8.14 of the Purchase Agreement, 1315 Capital II, LP.

The aggregate purchase price was \$10.0 million, which after certain adjustments for agreed upon changes in the estimated net asset value amount of purchased assets and assumed liabilities resulted in net upfront cash proceeds of approximately \$11.3 million. Subject to the terms and conditions of the Purchase Agreement, additional post close adjustments may be required based on the final net asset value of purchased assets and assumed liabilities as of the date of close which may result in an increase or decrease in the final purchase price.

The unaudited pro forma condensed consolidated financial statements were derived from the Company’s historical financial statements and are being presented to give effect to the disposition of the miraDry business. Included herein are the following unaudited pro forma financial statements:

- Condensed consolidated balance sheet as of March 31, 2021, as adjusted assuming the disposition occurred on March 31, 2021; and
- Condensed consolidated statements of operations for the three months ended March 31, 2021 and the year ended December 31, 2020, as adjusted assuming the disposition occurred on January 1, 2020.

The unaudited pro forma condensed consolidated financial statements are prepared in accordance with Article 11 of Regulation S-X. The pro forma adjustments are described in the accompanying notes and are based upon information and assumptions available at the time of the filing of this report on Form 8-K.

The unaudited pro forma condensed consolidated balance sheet and statements of operations should be read in conjunction with the historical financial statements and accompanying notes included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on March 11, 2021 and the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 filed with the SEC on May 11, 2021.

The unaudited pro forma financial information is based on financial statements prepared in accordance with U.S. generally accepted accounting principles, which are subject to change and interpretation. The unaudited pro forma condensed consolidated financial statements were based on and derived from our historical consolidated financial statements, adjusted for those amounts which were determined to be directly attributable to the disposition, factually supportable, and with respect to the unaudited pro forma condensed consolidated statements of operations, expected to have a continuing impact on our consolidated results. Actual adjustments, however, may differ materially from the information presented. In addition, the unaudited pro forma financial information is based upon available information and assumptions that management considers to be reasonable, and such assumptions have been made solely for purposes of developing such unaudited pro forma financial information for illustrative purposes in compliance with the disclosure requirements of the SEC. The unaudited pro forma financial information is not necessarily indicative of the financial position or results of operations that would have actually occurred had the disposition occurred on the dates indicated. In addition, these unaudited pro forma condensed consolidated financial statements should not be considered to be indicative of the future financial performance and results of operations of the Company.

Sientra, Inc.
Unaudited Pro Forma Condensed Consolidated Balance Sheet
(In thousands, except per share and share amounts)

	March 31, 2021		
	Sientra, Inc. Historical	Pro Forma Adjustments (d)	Pro Forma
Assets			
Current assets:			
Cash and cash equivalents	\$ 80,372	\$ 11,313 (a)	\$ 91,685
Accounts receivable, net	25,438	(5,643)	19,795
Inventories, net	50,556	(8,869)	41,687
Prepaid expenses and other current assets	2,803	(151)	2,652
Total current assets	159,169	(3,350)	155,819
Property and equipment, net	13,388	(316)	13,072
Goodwill	9,202	-	9,202
Other intangible assets, net	9,081	-	9,081
Other assets	7,573	-	7,573
Total assets	<u>\$ 198,413</u>	<u>\$ (3,666)</u>	<u>\$ 194,747</u>
Liabilities and Stockholders' Equity			
Current liabilities:			
Current portion of long-term debt	\$ 5,820	\$ -	\$ 5,820
Accounts payable	3,845	(250)	3,595
Accrued and other current liabilities	26,935	(351) (b)	26,584
Customer deposits	21,956	(300)	21,656
Sales return liability	11,020	-	11,020
Total current liabilities	69,576	(901)	68,675
Long-term debt, net of current portion	60,540	-	60,540
Derivative liability	69,310	-	69,310
Deferred and Contingent Consideration	2,467	-	2,467
Warranty reserve and other long-term liabilities	9,461	-	9,461
Total liabilities	211,354	(901)	210,453
Commitments and contingencies			
Total stockholders' equity	(12,941)	(2,765) (c)	(15,706)
Total liabilities and stockholders' equity	<u>\$ 198,413</u>	<u>\$ (3,666)</u>	<u>\$ 194,747</u>

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

Sientra, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations
(In thousands, except per share and share amounts)

	Three Months Ended March 31, 2021		
	Sientra, Inc. Historical	Pro Forma Adjustments (e)	Pro Forma
Net sales	\$ 23,236	\$ (4,924)	\$ 18,312
Cost of goods sold	10,935	(2,776)	8,159
Gross profit	<u>12,301</u>	<u>(2,148)</u>	<u>10,153</u>
Operating expenses:			
Sales and marketing	12,375	(556)	11,819
Research and development	2,392	(197)	2,195
General and administrative	7,354	557	7,911
Total operating expenses	<u>22,121</u>	<u>(196)</u>	<u>21,925</u>
Loss from operations	(9,820)	(1,952)	(11,772)
Other income (expense), net:			
Interest income	2	-	2
Interest expense	(2,004)	-	(2,004)
Change in fair value of derivative liability	(42,740)	-	(42,740)
Other income (expense), net	(128)	31	(97)
Total other income (expense), net	<u>(44,870)</u>	<u>31</u>	<u>(44,839)</u>
Loss before income taxes	(54,690)	(1,921)	(56,611)
Income tax expense (benefit)	-	-	-
Net loss	<u>\$ (54,690)</u>	<u>\$ (1,921)</u>	<u>\$ (56,611)</u>
Basic and diluted net loss per share attributable to common stockholders	<u>\$ (1.01)</u>	<u>\$ (0.04)</u>	<u>\$ (1.04)</u>
Weighted average outstanding common shares used for net loss per share attributable to common stockholders:			
Basic and diluted	<u>54,321,146</u>		<u>54,321,146</u>

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

Sientra, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations
(In thousands, except per share and share amounts)

	Year Ended December 31, 2020		
	Sientra, Inc. Historical	Pro Forma Adjustments (e)	Pro Forma
Net sales	\$ 71,241	\$ (16,244)	\$ 54,997
Cost of goods sold	32,302	(8,703)	23,599
Gross profit	<u>38,939</u>	<u>(7,541)</u>	<u>31,398</u>
Operating expenses:			
Sales and marketing	52,553	(15,148)	37,405
Research and development	10,311	(1,608)	8,703
General and administrative	38,191	(5,881)	32,310
Restructuring	1,762	(1,372)	390
Impairment	6,432	(6,432)	-
Total operating expenses	<u>109,249</u>	<u>(30,441)</u>	<u>78,808</u>
Loss from operations	(70,310)	22,900	(47,410)
Other income (expense), net:			
Interest income	206	(1)	205
Interest expense	(9,451)	13	(9,438)
Change in fair value of derivative liability	(10,470)	-	(10,470)
Other income (expense), net	111	(76)	35
Total other income (expense), net	<u>(19,604)</u>	<u>(64)</u>	<u>(19,668)</u>
Loss before income taxes	(89,914)	22,836	(67,078)
Income tax expense (benefit)	33	-	33
Net loss	<u>\$ (89,947)</u>	<u>\$ 22,836</u>	<u>\$ (67,111)</u>
Basic and diluted net loss per share attributable to common stockholders	<u>\$ (1.79)</u>	<u>\$ 0.45</u>	<u>\$ (1.34)</u>
Weighted average outstanding common shares used for net loss per share attributable to common stockholders:			
Basic and diluted	<u>50,233,175</u>		<u>50,233,175</u>

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

Sientra, Inc.
Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Note 1 – Sale of the miraDry Business

On June 10, 2021, pursuant to the Purchase Agreement, the Company completed the sale of its miraDry business (“miraDry”) for an aggregate purchase price of \$10.0 million, subject to certain adjustments.

The accompanying unaudited pro forma condensed consolidated balance sheet reflects the historical consolidated balance sheet as presented in the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2021, with adjustments to eliminate the assets and liabilities being sold or otherwise disposed of or settled, and add the estimated cash proceeds and transaction costs as of March 31, 2021.

The accompanying unaudited pro forma condensed consolidated statements of operations reflect the historical consolidated statements of operations for the three months ended March 31, 2021 as presented in the Company's Quarterly Report on Form 10-Q as well as the year ended December 31, 2020 as presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, with adjustments to eliminate the revenues and expenses attributable to miraDry for the period presented.

Assets and liabilities being disposed of (in thousands):

Accounts receivable, net	\$	5,643
Inventories, net		8,869
Prepaid expenses and other current assets		151
Property and equipment, net		316
Accounts payable and accrued and other current liabilities		(1,101)
Change in assets and liabilities, net	\$	<u>13,878</u>

Note 2 – Pro Forma Adjustments

The following is a description of the pro forma adjustments reflected in the unaudited pro forma condensed consolidated financial statements based on preliminary estimates, which may change as additional information is obtained:

(a) Purchase price: Reflects net cash proceeds of \$11.3 million which represents the \$10.0 million aggregate purchase price from the sale, plus certain adjustments totaling \$1.3 million as set forth in the Purchase Agreement.

(b) Disposition costs: Includes an accrual of \$0.2 million of estimated transaction expenses related to the sale.

(c) Retained earnings: As a result of the sale, the Company computed an estimated loss of \$2.8 million, based on miraDry’s net assets as of June 10, 2021. This loss is not included in the pro forma adjustments to the unaudited condensed consolidated statements of operations due to its non-recurring nature, but it is recorded in the unaudited pro forma condensed consolidated balance sheet as of March 31, 2021.

Retained Earnings (in thousands):

Purchase price, net of adjustments	\$	11,313
Change in assets and liabilities, net		(13,878)
Estimated transaction costs in (b) above		(200)
Estimated loss on sale	\$	<u>(2,765)</u>

(d) Balance sheet: In addition to the adjustments noted in (a) through (c) above, also reflects the elimination of miraDry's assets and liabilities.

(e) Statements of operations: Represents the elimination of miraDry' historical operating results for the periods presented. The anticipated non-recurring loss on the sale is not reflected in the unaudited pro forma condensed consolidated statements of operations.



Sientra Announces Closing of Previously Announced Sale of miraDry Business to 1315 Capital

Santa Barbara, CA – June 11, 2021 – Sientra, Inc. (NASDAQ: SIEN) (“Sientra” or the “Company”), a medical aesthetics company uniquely focused on plastic surgeons, today announced it has closed the previously announced sale of its miraDry business to 1315 Capital, a healthcare growth equity firm investing in commercial stage companies across medical devices, healthcare services, and therapeutics. The transaction was previously described in the Company’s Form 8-K filed on May 11, 2021.

Ron Menezes, President and Chief Executive Officer of Sientra stated: “We are delighted to close our transaction with 1315 Capital. With the sale of the miraDry business, we can now focus on our rapidly growing Breast Products business, and intend to utilize the proceeds from the sale to strategically invest in programs that we believe will grow our market share and advance the art of plastic surgery.”

“We are excited to close this transaction and to invest behind miraDry and expand its reach to help provide relief to patients with sweat concerns in the U.S. and around the globe.” said Adele C. Oliva, Founding Partner of 1315 Capital.

“Our team is thrilled to continue building upon the miraDry business through excellence in service, support, training, and collaboration.” said Arash Khazei, who is the Chief Executive Officer of the miraDry business.

About Sientra

Headquartered in Santa Barbara, California, Sientra is a medical aesthetics company uniquely focused on plastic surgeons. The Company mission is to offer proprietary innovations and unparalleled partnerships that radically advance how plastic surgeons think, work and care for their patients. Sientra has developed a broad portfolio of products with technologically differentiated characteristics, supported by independent laboratory testing and strong clinical trial outcomes. The Company’s Breast Products segment includes its Sientra round and shaped breast implants, the first fifth generation breast implants approved by the FDA for sale in the United States, its ground-breaking Allox2® breast tissue expander with patented dual-port and integral drain technology, and BIOCORNEUM®, the #1 performing, preferred and recommended scar gel of plastic surgeons(*).

Sientra uses its investor relations website to publish important information about the Company, including information that may be deemed material to investors. Financial and other information about Sientra is routinely posted and is accessible on the Company’s investor relations website at www.sientra.com.

() Data on file*

**About 1315 Capital**

1315 Capital is a private investment firm with over \$500 million under management that provides expansion and growth capital to commercial-stage healthcare services, medical technology, and specialty therapeutics companies. We target markets where high-quality management teams can rapidly scale platform companies into large and important businesses that positively impact patients, physicians, and the broader healthcare system.

About miraDry

The miraDry system is the only FDA cleared device to reduce underarm sweat, odor and permanently reduce hair of all colors. The miraDry non-invasive procedure is safe and highly efficacious with a proven commercial and clinical track record. Physicians and patients are encouraged to visit www.miramarlabs.com or www.miradry.com for additional information.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, based on management’s current assumptions and expectations of future events and trends, which affect or may affect the Company’s business, strategy, operations or financial performance, and actual results may differ materially from those expressed or implied in such statements due to numerous risks and uncertainties. Forward-looking statements are made only as of the date of this release. The words “believe,” “may,” “might,” “could,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “plan,” “position,” or the negative of those terms, and similar expressions that convey uncertainty of future events or outcomes are intended to identify estimates, projections and other forward-looking statements. Forward-looking statements may include information concerning the final proceeds from the sale of the miraDry business, the Company’s utilization of the proceeds from the sale of the miraDry business, the Company’s ability to grow its Breast Products business, the Company’s ability to grow its Breast Products market share, and the Company’s ability to execute on its Breast Products programs and development pipeline. Such statements are subject to risks and uncertainties, including the scope and duration of the COVID-19 pandemic, the Company’s ability to recapture delayed procedures resulting from the COVID-19 pandemic, the positive reaction from plastic surgeons and their patients to Sientra’s Breast Products, the positive reaction from plastic surgeons and patients to Sientra’s marketing, sales and educational programs, and the ability to execute on the Company’s commercial, product development and manufacturing initiatives. Additional factors that could cause actual results to differ materially from those contemplated in this press release can be found in the Risk Factors section of Sientra’s public filings with the Securities and Exchange Commission. All statements other than statements of historical fact are forward-looking statements. The words “believe,” “may,” “might,” “could,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “plan,” “position,” or the negative of those terms, and similar expressions that convey uncertainty of future events or outcomes are intended to identify estimates, projections and other forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, and such estimates, projections and other forward-looking statements speak only as of the date they were made, and, except to the extent required by law, the Company undertakes no obligation to update or review any estimate, projection or forward-looking statement. Actual results may differ from those set forth in this press release due to the risks and uncertainties inherent in the Company’s business.



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