UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION item13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period From to

Commission file number: 001-38677

Ra Medical Systems, Inc.
(Exact name of Registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**38-3661826** **(I.R.S. Employer Identification No.)**
2070 Las Palmas Drive **Carlsbad, California** **(Address of principal executive offices)**	**92011** **(Zip Code)**

(760) 804-1648
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of the exchange on which registered
Common Stock, $0.0001 par value	RMED	NYSE American

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the common stock held by non-affiliates of the registrant, based on the closing price of a share of common stock on June 30, 2021 as reported by the NYSE American on such date was approximately $24.1 million. Shares of the registrant's common stock held by each executive officer, director and other persons who may be deemed an affiliate of the registrant have been excluded in that such persons may be deemed to be affiliates. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose.

As of March 16, 2022, the registrant has 31,458,547 shares of common stock, par value $0.0001, outstanding.

Auditor Name: Haskell & White LP Location: Irvine, CA Auditor ID: 200
Auditor Name: Deloitte & Touche LLP Location: San Diego, CA Auditor ID: 34

EXPLANATORY NOTE

Ra Medical Systems, Inc. (the "Company") is filing this Amendment No. 1 to its Annual Report on Form 10-K for the fiscal year ended December 31, 2021 (the "Amended Form 10-K"), which was originally filed with the SEC on March 24, 2022, (the "Original Filing") to amend Part IV, Item 15 - Exhibits and Financial Statement Schedules to correct an error in the Opinion to the Financial Statements of Deloitte & Touche LLP. Part IV, Item 15 – Exhibits and Financial Statement Schedules has also been amended to include new consents of Deloitte & Touche LLP, Independent Registered Public Accounting Firm and Haskell & White LLP, Independent Registered Public Accounting Firm, and certifications from the Company's Principal Executive and Principal Financial Officer as required by sections 302 and 906 of the Sarbanes Oxley Act of 2002. The consents are included in this Amended Form 10-K as Exhibits 23.2 and 23.1, respectively. The certifications are included in this Amended Form 10-K as Exhibits 31 and 32.

This Amended Form 10-K does not modify, amend, or update in any way the financial statements set forth in the Original Filing and there have been no changes to the XBRL data filed in Exhibit 101 of the Original Filing.

This Amended Form 10-K has not been updated for other events or information subsequent to the date of the filing of the Original Filing, except as noted above, and should be read in conjunction with the Original Filing and our other filings with the SEC.

PART IV — FINANCIAL INFORMATION

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

1. *Financial Statements*. We have filed the following documents as part of this Annual Report:

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2. *Financial Statement Schedules*.

There are no financial statement schedules provided because the information called for is either not required or is shown either in the financial statements or the notes thereto.

3. *Exhibits.*

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
23.1*	Consent of Haskell & White LLP, Independent Registered Public Accounting Firm.				
23.2*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.				
24.1*	Power of Attorney (contained on signature page).				
31.1*	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1*^	Certifications of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
32.2*^	Certifications of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
101.INS*	Inline XBRL Instance Document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104*	Cover Page Interactive Data File (formatted as Inline XBRL)				

* Filed herewith.

^ The information in this exhibit is furnished and deemed not filed with the Securities and Exchange Commission for purposes of section 18 of the Exchange Act of 1934, as amended (Exchange Act), and is not to be incorporated by reference into any filing of Ra Medical Systems, Inc. under the Securities Act of 1933, as amended (Securities Act), or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RA MEDICAL SYSTEMS, INC.

Date:	July 12, 2022	By:	/s/ Jonathan Will McGuire
			Jonathan Will McGuire
			Chief Executive Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Ra Medical Systems, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheet of Ra Medical Systems, Inc. (the "Company") as of December 31, 2021, the related statements of operations, comprehensive loss, stockholders' equity, and cash flows for the year ended December 31, 2021 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has experienced net losses and negative cash flows from operations and has limited liquid resources and an accumulated deficit, that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ HASKELL & WHITE LLP

We have served as the Company's auditor since 2021.

Irvine, California
March 23, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Ra Medical Systems, Inc.

Opinion on the Financial Statements

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Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has experienced net losses and negative cash flows from operations and has an accumulated deficit, that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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/s/ DELOITTE & TOUCHE LLP

San Diego, California
March 16, 2021 (January 14, 2022 as to the effects of the discontinued operations as described in Note 3)

We have served as the Company's auditor since 2018. In 2021, we became the predecessor auditor.

RA MEDICAL SYSTEMS, INC.

Balance Sheets
(in thousands, except par value data)

		December 31, 2021		December 31, 2020
ASSETS				
Current Assets				
Cash and cash equivalents	$	15,045	$	23,906
Accounts receivable, net		21		24
Inventories		986		877
Prepaid expenses and other current assets		1,037		1,100
Current assets of discontinued operations		—		1,713
Total current assets		17,089		27,620
Property and equipment, net		1,809		2,527
Operating lease right-of-use assets		2,110		2,484
Other non-current assets		36		45
Long-term assets of discontinued operations		—		762
TOTAL ASSETS	$	21,044	$	33,438
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				
Accounts payable	$	988	$	471
Accrued expenses		4,119		4,147
Current portion of operating lease liabilities		283		356
Current portion of PPP promissory note		—		421
Current portion of equipment financing		—		265
Current liabilities of discontinued operations		—		2,102
Total current liabilities		5,390		7,762
Operating lease liabilities		1,981		2,264
PPP promissory note		—		1,579
Long-term liabilities of discontinued operations		—		686
Total liabilities		7,371		12,291
Commitments and contingencies (Note 16)				
Stockholders' Equity				
Preferred stock, $0.0001 par value, 10,000 shares authorized; no shares issued		—		—
Common stock, $0.0001 par value, 300,000 shares authorized; 7,010 and 3,189 shares issued and outstanding at December 31, 2021 and 2020, respectively		8		7
Additional paid-in capital		191,937		174,342
Accumulated deficit		(178,272)		(153,202)
Total stockholders' equity		13,673		21,147
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	21,044	$	33,438

See accompanying notes to financial statements and reports of independent registered public accounting firms.

RA MEDICAL SYSTEMS, INC.

Statements of Operations
(in thousands, except per share data)

	Year Ended December 31, 2021	2020
Net revenues		
Product sales	$ 22	$ 254
Service and other	—	5
Total net revenues	22	259
Cost of revenues		
Product sales	832	1,369
Service and other	728	803
Total cost of revenues	1,560	2,172
Gross loss	(1,538)	(1,913)
Operating expenses		
Selling, general and administrative	15,475	24,533
Research and development	12,253	8,955
Total operating expenses	27,728	33,488
Operating loss	(29,266)	(35,401)
Other income (expense), net		
Other income (expense), net	(14)	88
Gain on extinguishment of PPP promissory note (Note 9)	2,023	—
Total other income (expense), net	2,009	88
Loss from continuing operations before income taxes	(27,257)	(35,313)
Income taxes	4	7
Loss from continuing operations	(27,261)	(35,320)
Discontinued operations (Note 3)		
Income (loss) from discontinued operations (including gain on sale of $3,500 in 2021) before income taxes	2,191	(725)
Income taxes	—	—
Income (loss) from discontinued operations	2,191	(725)
Net loss	$ (25,070)	$ (36,045)
Net income (loss) per share, basic and diluted		
Continuing operations	$ (5.39)	$ (20.79)
Discontinued operations	0.43	(0.43)
Total net loss per share, basic and diluted	$ (4.96)	$ (21.22)
Weighted average common shares used in computing net income (loss) per share, basic and diluted	5,055	1,699

See accompanying notes to financial statements and reports of independent registered public accounting firms.

RA MEDICAL SYSTEMS, INC.

Statements of Comprehensive Loss
(in thousands)

	Year Ended December 31,	
	2021	2020
Net loss	$ (25,070)	$ (36,045)
Other comprehensive loss:		
Unrealized losses on short-term investments	—	(26)
Comprehensive loss	$ (25,070)	$ (36,071)

See accompanying notes to financial statements and reports of independent registered public accounting firms.

RA MEDICAL SYSTEMS, INC.

Statements of Stockholders' Equity
(in thousands)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balances at January 1, 2020	551	$ 1	$ 150,280	$ 26	$ (117,157)	$ 33,150
Common stock issued, net	2,551	5	11,620	—	—	11,625
Warrants issued, net	—	—	7,492	—	—	7,492
Exercise of warrants	74	1	826	—	—	827
Common stock issued pursuant to the vesting of restricted stock units and purchases under employee stock purchase plan	13	—	42	—	—	42
Stock-based compensation	—	—	4,082	—	—	4,082
Other comprehensive loss	—	—	—	(26)	—	(26)
Net loss	—	—	—	—	(36,045)	(36,045)
Balances at December 31, 2020	3,189	7	174,342	—	(153,202)	21,147
Common stock issued, net	3,901	1	15,152	—	—	15,153
Warrant issued	—	—	132	—	—	132
Restricted stock awards cancelled	(113)	—	—	—	—	—
Common stock issued pursuant to the vesting of restricted stock units and purchases under employee stock purchase plan	33	—	74	—	—	74
Stock-based compensation	—	—	2,237	—	—	2,237
Net loss	—	—	—	—	(25,070)	(25,070)
Balances at December 31, 2021	7,010	$ 8	$ 191,937	$ —	$ (178,272)	$ 13,673

See accompanying notes to financial statements and reports of independent registered public accounting firms.

RA MEDICAL SYSTEMS, INC.

Statements of Cash Flows
(in thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (25,070)	$ (36,045)
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on sale of discontinued operations	(3,473)	
Gain on extinguishment of PPP promissory note	(2,023)	
Stock-based compensation	2,237	4,082
Depreciation and amortization	1,565	2,365
(Gain) loss on sales and disposals of property and equipment	(550)	99
Provision for credit losses	47	180
Changes in operating assets and liabilities:		
Accounts receivable, net	42	368
Inventories	(197)	352
Prepaid expenses and other assets	150	642
Accounts payable	627	(961)
Accrued expenses	(390)	1,706
Deferred revenue	(234)	(774)
Other liabilities	(356)	(318)
Net cash used in operating activities	(27,625)	(28,304)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of discontinued operations	3,700	—
Payment of fees related to sale of discontinued operations	(227)	—
Proceeds from sales of property and equipment	594	—
Purchases of property and equipment	(265)	(67)
Proceeds from maturities of available-for-sale securities	—	16,000
Net cash provided by investing activities	3,802	15,933
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock and warrants, net of placement agent fees	15,528	19,887
Payment of offering costs related to the issuance of common stock and warrants	(375)	(770)
Repayment of equipment financing	(265)	(293)
Proceeds from purchases under employee stock purchase plan	74	42
Proceeds from PPP promissory note	—	2,000
Proceeds from issuance of common stock in connection with the exercise of warrants	—	827
Net cash provided by financing activities	14,962	21,693
NET CHANGE IN CASH AND CASH EQUIVALENTS	(8,861)	9,322
CASH AND CASH EQUIVALENTS, beginning of year	23,906	14,584
CASH AND CASH EQUIVALENTS, end of year	$ 15,045	$ 23,906
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Unpaid property and equipment	$ 17	$ —
Transfer of lasers from inventories to property and equipment	$ —	$ 207
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash payments for interest	$ 2	$ 28
Cash payments for income taxes	$ 2	$ —

See accompanying notes to financial statements and reports of independent registered public accounting firms.

Note 1. Organization and Nature of Operations

The Company

Ra Medical Systems, Inc. (the "Company") is a medical device company leveraging its advanced excimer laser-based platform for use in the treatment of vascular immune-mediated inflammatory diseases. Its excimer laser and single-use catheter system, together referred to as "DABRA", is used as a tool in the treatment of peripheral artery disease ("PAD"). The Company was formed on September 4, 2002 in the state of California and reincorporated in Delaware on July 14, 2018.

On August 16, 2021, the Company completed the sale of its Pharos dermatology business (the "Dermatology Business"). Accordingly, the financial information and operating results of the Dermatology Business has been presented as discontinued operations in the financial statements for all periods presented. Unless otherwise noted, discussion within these notes to financial statements relates to continuing operations. See Note 3. *Discontinued Operations* for additional information.

Effects of COVID-19 and Market Conditions

The global effects of the novel coronavirus ("COVID-19") have created significant volatility, uncertainty and economic disruption. Although the number of reported cases of COVID-19 has recently decreased, the ultimate effects of the COVID-19 on the Company's business, operations and financial condition are unknown at this time. The Company expects that enrollment in its atherectomy clinical trial will continue to be affected by the uncertainly relating to COVID-19, as patients may continue to elect to postpone voluntary treatments and physicians' offices are either remaining closed, operating at a reduced capacity or are in the process of reopening or returning to full capacity. The Company's manufacturing facility located in Carlsbad, California is currently operational. The Company has experienced delays in receiving shipments of parts which has had an impact on the timing of its key engineering efforts but has not affected its ability to support its atherectomy clinical study. However, the extent to which COVID-19 impacts its business will depend on future developments which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain it or treat its impact, among others.

The Company, like many companies, is also experiencing increased difficulty in attracting and retaining key personnel due to a tight labor market.

Going Concern

The Company has experienced recurring net losses from operations and negative cash flows from operating activities, has a significant accumulated deficit and expects to continue to incur net losses into the foreseeable future. The Company had an accumulated deficit of $178.3 million at December 31, 2021. For the year ended December 31, 2021, the Company used $27.6 million in cash for operating activities for continuing and discontinued operations. As of December 31, 2021, the Company had cash and cash equivalents of $15.0 million.

Management expects operating losses and negative cash flows to continue for the foreseeable future with the Company's reduced commercial footprint, and as the Company continues to incur costs related to its atherectomy clinical trial, engineering efforts to improve the shelf life of its catheters and develop next generation products and legal costs as further discussed in Note 16. *Commitments and Contingencies*. In September 2020, the Company paused commercial sales of DABRA catheters not being used for the atherectomy clinical trial while it conducted further studies on the stability of its shelf life. The Company submitted additional test data in March 2021, which was cleared by the U.S. Food and Drug Administration in July 2021. Although eligible, the Company has not resumed commercial sales and is evaluating its commercial catheter strategy. The Company also expects the COVID-19 pandemic to have a continued negative impact on the timing of enrollment in its atherectomy clinical trial as well as the Company's ability to secure additional financing in a timely manner or on favorable terms, if at all.

Management believes that, based on the Company's liquidity resources, there is substantial doubt about the Company's ability to continue as a going concern for a period of at least 12 months from the date of issuance of the financial statements.

Although the Company bolstered its liquidity resources in 2021 and 2020, completed an equity financing in February 2022, resulting in net proceeds of $10.7 million, has an effective shelf registration statement and may receive additional funds from the exercise of its warrants depending on market conditions, management concluded that the aforementioned conditions, including the ongoing uncertainty related to the negative impacts of the COVID-19 pandemic, continue to raise substantial doubt about the Company's ability to continue as a going concern within 12 months from the date of issuance of the financial statements. Management's plans to address this uncertainty include raising additional funding, if necessary, through public or private equity or debt financings. However, the Company may not be able to secure such financing in a timely manner or on favorable terms, if at all. Furthermore, if the Company issues equity securities to raise additional funds, its existing stockholders may experience dilution, and the new equity securities may have rights, preferences and privileges senior to those of the Company's existing stockholders.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business, and do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or amounts and classification of liabilities that may result from the outcome of this uncertainty.

Note 2. Summary of Significant Accounting Policies

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation as further described in Note 3. *Discontinued Operations*.

Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The Company's financial statements are based upon a number of estimates including, but not limited to, allowance for credit losses, evaluation of impairment of assets, valuation of long-lived assets and their associated estimated useful lives, reserves for warranty costs, including product recalls, evaluation of probable loss contingencies and fair value of equity awards granted.

Segment Reporting

After the sale of the Dermatology Business in August 2021, the Company began operating its business in one segment which includes all activities related to the research, development and manufacture of the DABRA system. The chief operating decision-maker reviews the operating results on an aggregate basis and manages the operations as a single operating segment.

Cash and Cash Equivalents

The Company considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents. Cash equivalents primarily represent funds invested in readily available checking and money market accounts. The Company maintains deposits in financial institutions in excess of federally insured limits.

Fair Value Measurements

Fair value represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants and is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. A three-tier value hierarchy is used to identify inputs used in measuring fair value as follows:

Level 1 - Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;

Level 2 - Inputs other than the quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

Fair Value of Financial Instruments

Cash equivalents, trade accounts receivable and accounts payable are reported on the balance sheets at carrying value which approximates fair value due to the short-term maturities of these instruments.

Accounts Receivable

Trade accounts receivable are presented net of allowances for credit losses. The Company sells its catheters directly to distributors or physicians and maintains an allowance for credit losses for balances that appear to have specific collection issues. The collection process is based on the age of the invoice and requires attempted contacts with the customer at specified intervals. Delinquent accounts receivable are charged against the allowance for credit losses once the Company has determined the amounts are uncollectible. The factors considered in reaching this determination are the apparent financial condition of the customer and the Company's success in contacting and negotiating with the customer. If the financial condition of the Company's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

The following table shows the activity in the allowance for credit losses for the periods presented (in thousands):

	Year Ended December 31,	
	2021	2020
Balance at beginning of year	$ 84	$ 305
Provision for credit losses	47	42
Deductions	—	(263)
Balance at end of year	$ 131	$ 84

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. Cost includes materials, labor and manufacturing overhead related to the purchase and production of inventories. The Company reduces the carrying value of inventories for those items that are potentially excess, obsolete or slow-moving based on changes in customer demand, technological developments or other economic factors. Although inventories are classified as current assets in the accompanying balance sheets, the Company anticipates that such inventories will be utilized beyond twelve months from December 31, 2021.

Catheters are manufactured in-house and each catheter is tested at various stages of the manufacturing process for adherence to quality standards. Catheters that do not meet functionality specification at each test point are destroyed and immediately written off, with the expense recorded in cost of revenues in the statements of operations. Once manufactured, completed catheters that pass quality assurance, are sent to a third-party for sterilization and sealed in a sterile container. Upon return from the third-party sterilizer, a sample of catheters from each batch are re-tested. If the sample tests are successful, the batch is accepted into finished goods inventory. If the sample tests are unsuccessful, the entire batch is written off, with the expense recorded in cost of revenues in the statement of operations.

Property and Equipment

Property and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives as follows:

Computer hardware and software	4-5 years
Furniture and fixtures	5 years
Machinery and equipment	5-10 years
Lasers	5 years
Automobiles	5 years

Leasehold improvements are depreciated over the shorter of the useful life of the leasehold improvement or the term of the underlying property's lease.

The Company periodically reviews the residual values and estimated useful lives of each class of its property and equipment for ongoing reasonableness, considering long-term views on its intended use of each class of property and equipment and the planned level of improvements to maintain and enhance assets within those classes. Effective January 1, 2022, based on management's revised assessment of average laser on-time utilization, the Company changed the estimated useful life of its lasers to eight years.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the account balances and any resulting gain or loss is recognized in income for the period. The cost of repairs and maintenance is expensed as incurred, whereas significant betterments are capitalized.

Impairment of Long-Lived Assets

The Company periodically reviews its long-lived assets for impairment when certain events or changes in circumstances indicate that the carrying value of the long-lived assets may not be recoverable. Should the sum of the undiscounted expected future net cash flows be less than the carrying value, the Company would recognize an impairment loss at that date. There were no impairment charges for the years ended December 31, 2021 or 2020.

Product Warranty

Products are warrantied against defects in material and workmanship when properly used for their intended purpose and appropriately maintained. Accordingly, the Company generally replaces catheters that kink or fail to calibrate. The product warranty liability is determined based on historical information such as past experience, product failure rates or number of units repaired, estimated cost of material and labor. The product warranty liability also includes the estimated costs of a product recall.

The warranty accrual is included in accrued expenses in the accompanying balance sheets. Warranty expenses are included in cost of revenues in the accompanying statements of operations. Changes in estimates to previously established warranty accruals result from current period updates to assumptions regarding repair and product recall costs and are included in current period warranty expense.

Revenue Recognition

The Company generates revenue from the sales of products and services. Product sales consist of the sales of catheters for use with the DABRA laser system. The Company has paused selling commercial product and is only selling catheters for use in the atherectomy clinical trial. The Company's sales agreements generally do not include right-of-return provisions for any form of consideration, including partial refund or credit against amounts owed to the Company. Services and other revenues primarily consist of billable services, including fees related to DABRA laser commercial usage agreements.

The Company determines revenue recognition incorporating the following steps:

- Identification of each contract with a customer;

- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, performance obligations are satisfied.

The Company accounts for a contract with a customer when it has a legally enforceable contract with the customer, the arrangement identifies the rights of the parties, the contract has commercial substance, and the Company determines it is probable that it will collect the contract consideration. The Company recognizes revenue when control of the promised goods or services transfers to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Taxes collected from customers relating to goods or services and remitted to governmental authorities are excluded from revenue.

Catheter Revenue

When engaged in commercial sales, the Company enters into a DABRA laser commercial usage agreement or DABRA laser placement acknowledgement with each customer that is supplied a DABRA laser, collectively the "usage agreement", which provides for specific terms of continued use of the DABRA laser, including a nominal periodic fee. The terms of a usage agreement typically allow the Company to place a DABRA laser at a customer's specified location without a specified contract term. Under the usage agreement terms, the Company retains all ownership rights to the DABRA laser and is permitted to request the return of the equipment within 10 business days of notification. While the laser periodic fees are nominal, the usage agreement provides the Company the exclusive rights to supply related single-use catheters to the customer which aggregate the majority of the product sales revenue. There are no specified minimum purchase commitments for the catheters.

The Company recognizes revenue associated with the usage agreements and catheter supply arrangements in accordance with Financial Accounting Standards Board "*Revenue from Contracts with Customers (Topic 606),"* ("Topic 606") since (i) the contract primarily includes variable payments, (ii) the catheters are priced at their standalone selling price, and (iii) the laser equipment is insignificant in the context of the contract. Revenue is recognized when the performance obligation is satisfied which is generally upon shipment of the catheter.

Distributor Transactions

In certain markets outside the U.S., the Company sells products and provides services to customers through distributors that specialize in medical device products. The terms of sales transactions through distributors are generally consistent with the terms of direct sales to customers. The Company accounts for these transactions in accordance with the Company's revenue recognition policy described herein.

Shipping and Handling Costs

Shipping and handling charged to customers are included in net product sales. Shipping and handling costs are included in selling, general and administrative expenses in the accompanying statements of operations.

Advertising Expense

The Company expenses advertising costs as incurred.

Research and Development

Major components of research and development costs include personnel expenses, stock-based compensation, consulting, supplies and clinical trial expenses. Research and development expenses are charged to operations in the period they are incurred.

Patents

The Company expenses patent costs, including related legal costs, as incurred and records such costs as selling, general and administrative expenses in the accompanying statements of operations.

Stock-Based Compensation

The Company records stock-based compensation expense associated with stock options, restricted stock awards ("RSAs") and restricted stock units ("RSUs") issued to employees, members of the Company's board of directors and consultants in accordance with the authoritative guidance for stock-based compensation. The Company evaluates whether an award should be classified and accounted for as a liability award or equity award for all stock-based compensation awards granted. The cost of an award of an equity instrument is measured at the grant date, based on the estimated fair value of the award using the Black-Scholes option pricing valuation model, or Black-Scholes model, which incorporates various assumptions including expected term, volatility and risk-free interest rate, and is recognized as expense on a straight-line basis over the requisite service period of the award. Share-based compensation for an award with a performance condition is recognized when the achievement of such performance condition is determined to be probable. If the outcome of such performance condition is not determined to be probable or is not met, no compensation expense is recognized, and any previously recognized compensation expense is reversed. Forfeitures are recognized as a reduction of stock-based compensation expense as they occur.

Income taxes

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using enacted tax rates and laws that are expected to be in effect when the differences reverse. Any resulting net deferred tax assets are evaluated for recoverability and, accordingly, a valuation allowance is provided when it is more likely than not that all or some portion of the deferred tax asset will not be realized.

The Company accounts for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining whether it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. An uncertain tax position is considered effectively settled on completion of an examination by a taxing authority if certain other conditions are satisfied. Should the Company incur interest and penalties relating to tax uncertainties, such amounts would be classified as a component of interest expense and other expense, respectively.

Concentrations of Credit Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed completely to perform as contracted. Concentrations of credit risk that arise from financial instruments exist for groups of customers or counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions described below.

Financial instruments, which potentially subject the Company to concentration of credit risk, consist of cash equivalent balances maintained in excess of Federal Depository Insurance Corporation limits, and accounts receivable which have no collateral or security. The Company monitors the financial condition of the banks in which it currently has deposits. The Company has not experienced any significant losses in this respect and believes that it is not exposed to any significant related risk.

Exposure to losses on accounts receivable is dependent upon the individual customer's financial condition. The Company monitors its exposure to credit losses and reserves for those accounts receivable that it deems to be not collectible.

For the years ended December 31, 2021 and 2020, we had three and four individual customers, respectively, that represented greater than 10% of total net revenues. One individual customer represented greater than 10% of accounts receivable at each of December 31, 2021 and 2020.

Significant Accounting Policies Related to Discontinued Operations

Laser Sales

The Company recognized revenue on laser sales at the point in time that control transferred to the customer. Control of the product typically transferred upon shipment.

Warranty Service Revenue

The Company typically provided a 12-month warranty with the purchase of its laser systems. Customers could extend the warranty period through the purchase of extended warranty service contracts. Extended warranty service contracts were sold with contract terms ranging from 12 to 60 months and covered periods after the end of the initial 12-month warranty period. The warranty provided the customer with maintenance services in addition to the assurance that the laser product complied with agreed-upon specifications. Therefore, the warranty service was treated as a separate performance obligation from the laser system. Warranty services were a stand-ready obligation, and the Company recognized revenue on a straight-line basis over the service contract term. Warranty service revenue was included in service and other revenue in the statements of operations.

Contracts With Multiple Performance Obligations

Certain of the Company's contracts with customers contained multiple performance obligations. For these contracts, the Company accounted for individual products and services as separate performance obligations if they are distinct, which was if (i) a product or service is separately identifiable from other items in the arrangement and (ii) the customer can benefit from the product or service on its own or with other readily available resources. The transaction price was allocated to the separate performance obligations on a relative standalone selling price basis. The Company determined standalone selling prices based on observable prices of products or services sold separately in comparable circumstances to similar customers.

Significant Financing Component

For multi-year warranty service contracts in which there was a difference between the cash selling price and the consideration in the contract and a significant amount of time between the payment, which was due up-front, and delivery of the services (greater than one year), the Company recorded an adjustment for significant financing to reflect the time value of money. The Company recognized revenue associated with the cash selling price and interest expense using the effective interest method as the Company satisfied its performance obligation(s). The amount of interest expense the Company recognized over the contract term was based on the contract liability balance, which increased for the accrual of interest and decreased as services are provided.

For services contracts that had an original duration of one year or less, the Company used the practical expedient applicable to such contracts and did not adjust the transaction price for the time value of money.

Practical Expedients Elected

As part of the Company's adoption of Topic 606, the Company elected to use the following practical expedients:

- not to adjust the promised amount of consideration for the effects of a significant financing component when the Company expects, at contract inception, that the period between the Company's transfer of a promised product or service to a customer and when the customer pays for that product or service will be one year or less;
- to expense costs as incurred for costs to obtain a contract when the amortization period would have been one year or less;

- to exclude government assessed taxes from the transaction price; and
- not to recast revenue for contracts that begin and end in the same fiscal year.

Contract Costs

The Company capitalized costs to obtain contracts that were considered incremental and recoverable, such as sales commissions. The capitalized costs were amortized to selling, general and administrative expense over the estimated period of benefit of the asset, which was the contract term. The Company elected to use the practical expedient to expense the costs to obtain a contract when the amortization period was less than one year.

Rental Income

The Company also derived income pursuant to product operating lease agreements for its Pharos laser systems, prior to the sale of the Dermatology Business. Consequently, the Company retained title to the equipment. Depreciation expense on these leased lasers was recorded to cost of revenues on a straight-line basis. The costs to maintain these leased lasers were charged to cost of revenues as incurred.

These lease arrangements contained one lease component (the laser) and one nonlease component (warranty service) for which the Company elected the practical expedient to not separate the nonlease component from the lease component. The Company accounted for the combined lease component as an operating lease and recognized lease income on a straight-line basis over the lease term.

Recent Accounting Pronouncements

As an emerging growth company, the Company may elect to adopt new or revised accounting standards when they become effective for non-public companies, which typically is later than public companies must adopt the standards. The Company has elected to take advantage of the extended transition period afforded by the JOBS Act and, as a result, will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-public companies.

Note 3. Discontinued Operations

Consistent with the Company’s continued focus on the PAD market, the Company completed the sale of its Dermatology Business to STRATA Skin Sciences, Inc. (“Strata”) on August 16, 2021, for cash proceeds of $3.7 million. The Company paid broker and legal fees of approximately $0.2 million related to the sale of the Dermatology Business. In addition, the Company issued a warrant to the broker to purchase 74,247 shares of common stock at an exercise price of $2.99 per share. The warrant is immediately exercisable and expires five years following the date of issuance. The warrant was valued at approximately $0.1 million on the grant date using the Black-Scholes option pricing model based on the following assumptions: expected volatility of 104.55%, risk-free interest rate of 0.32%, expected dividend yield of 0% and an expected term of 2.5 years.

The Dermatology Business was previously disclosed as a separate reportable segment of the Company. The sale of the Dermatology Business resulted in a gain of $3.5 million which is included as a component of income from discontinued operations in the statement of operations for the year ended December 31, 2021.

The Company has reported the results of the Dermatology Business in income (loss) from discontinued operations in the statements of operations and excluded such results from continuing operations for the years ended December 31, 2021 and 2020. The assets and liabilities of the Dermatology Business are recorded as assets of discontinued operations and liabilities of discontinued operations, respectively, in the balance sheet at December 31, 2020.

Certain overhead costs previously allocated to the Dermatology Business for segment reporting purposes did not qualify for classification as discontinued operations and have been reallocated to continuing operations for the years ended December 31, 2021 and 2020.

The following table summarizes the carrying amounts of the assets and liabilities included as discontinued operations in the balance sheet at December 31, 2020 (in thousands):

	December 31, 2020
Assets of discontinued operations	
Accounts receivable, net	$ 214
Inventories	1,341
Prepaid expenses and other current assets	158
Property and equipment, net	684
Other long-term assets	78
Total assets of discontinued operations	$ 2,475
Liabilities of discontinued operations	
Accounts payable	$ 100
Accrued expenses	201
Deferred revenue	2,487
Total liabilities of discontinued operations	$ 2,788

The assets and liabilities of discontinued operations have been classified as current and long-term, as applicable, in the balance sheet at December 31, 2020.

The following table summarizes the major classes of items constituting income (loss) from discontinued operations in the statements of operations for each of the periods presented (in thousands):

	Year Ended December 31,	
	2021	2020
Net revenues		
Product sales	$ 852	$ 1,154
Service and other	1,748	2,992
Total net revenues	2,600	4,146
Cost of revenues		
Product sales	1,201	1,522
Service and other	1,089	1,789
Total cost of revenues	2,290	3,311
Gross income	310	835
Operating expenses		
Selling, general and administrative	1,110	1,440
Research and development	388	54
Total operating expenses	1,498	1,494
Operating loss	(1,188)	(659)
Interest income (expense), net	(94)	(66)
Loss from discontinued operations	(1,282)	(725)
Gain on sale of the Dermatology Business	3,473	—
Income (loss) from discontinued operations	$ 2,191	$ (725)

Depreciation expense for the Dermatology Business was $0.3 million and $0.4 million for the years ended December 31, 2021 and 2020, respectively. There were no capital expenditures for the Dermatology Business during the years ended December 31, 2021 and 2020. The provision for credit losses for the Dermatology Business for the years ended December 31, 2021 and 2020 was nil and $0.1 million, respectively. Stock-based compensation expense for the Dermatology Business was approximately $18,000 and $0.2 million for the years ended December 31, 2021 and 2020, respectively. Stock-based compensation expense of approximately $0.1 million and $0.2 million was capitalized to inventory and property and equipment for the Dermatology Business during the years ended December 31, 2021 and 2020, respectively.

Note 4. Fair Value Measurements

As of December 31, 2021 and 2020, cash equivalents of $9.4 million and $18.4 million, respectively, were comprised of money market funds which were measured at fair value on a recurring basis using Level 1 inputs.

Note 5. Inventories

Inventories consisted of the following (in thousands):

	December 31,	
	2021	2020
Raw materials	$ 911	$ 547
Work in process	70	270
Finished goods	5	60
Inventories	$ 986	$ 877

Note 6. Property and Equipment

Property and equipment, net consisted of the following (in thousands):

	December 31,	
	2021	2020
Lasers	$ 3,085	$ 3,194
Machinery and equipment	858	834
Computer hardware and software	353	353
Construction in progress	169	51
Leasehold improvements	145	119
Furniture and fixtures	48	48
Automobiles	—	1,054
Property and equipment, gross	4,658	5,653
Accumulated depreciation	(2,849)	(3,126)
Property and equipment, net	$ 1,809	$ 2,527

Depreciation expense was $1.0 million and $1.6 million for the years ended December 31, 2021 and 2020, respectively.

Note 7. Accrued Expenses

Accrued expenses consisted of the following (in thousands):

	December 31,	
	2021	2020
Compensation and related benefits	$ 2,004	$ 2,479
Accrued legal expenses	1,345	957
Accrued warranty (Note 8)	195	204
Other accrued expenses	575	507
Accrued expenses	$ 4,119	$ 4,147

Note 8. Accrued Warranty

Activity in the product warranty accrual is included in accrued expenses and consisted of the following (in thousands):

	Year Ended December 31, 2021	2020
Balance at beginning of year	$ 204	$ 234
Claims satisfied	(9)	(53)
Increase in warranty accrual	—	19
Change in liability for pre-existing warranties	—	4
Balance at end of year	$ 195	$ 204

The accrued warranty balances at December 31, 2021 and 2020 each included $0.1 million relating to the voluntary recall of catheters, which was initiated in September 2019.

Note 9. Paycheck Protection Program Promissory Note

In May 2020, the Company entered into a $2.0 million Paycheck Protection Program Promissory Note and Agreement ("PPP Promissory Note") with a commercial bank under the Coronavirus Aid, Relief, and Economic Security Act "CARES Act"). The PPP Promissory Note bore interest at 1.0% per annum. Under the terms of the PPP Promissory Note, payments would have been due monthly beginning November 1, 2020, and the principal amount of the PPP Promissory Note, along with any unpaid interest, would have been due in May 2022. On June 5, 2020, the Paycheck Protection Program Flexibility Act of 2020 extended the deferral period for all loans to 10 months after the last day of the covered period. Under the revised terms, payments would have been due beginning August 2021, and the principal amount, along with unpaid interest, would have been due in May 2022. The principal and interest could be forgiven if the proceeds are used for forgivable purposes as defined by the terms in the PPP Promissory Note. The Company applied for full forgiveness under the provisions of the CARES Act in March 2021 and received approval by the Small Business Administration on June 24, 2021. Gain on extinguishment of the PPP Promissory Note of $2.0 million was included in other income (expense), net in the statement of operations for the year ended December 31, 2021. Interest expense on the PPP Promissory Note for the years ended December 31, 2021 and 2020 was $10,000 and $13,000, respectively.

Note 10. Operating Leases

During the years ended December 31, 2021 and 2020, the Company had two operating leases for office and manufacturing space which required it to pay base rent and certain utilities. Monthly rent expense was recognized on a straight-line basis over the terms of the leases. The office operating lease expired in December 2021 and the manufacturing operating lease expires in 2027.

At December 31, 2021, the remaining lease term for the manufacturing operating lease was six years. The manufacturing operating lease is included in the balance sheet at the present value of the lease payments at a 7% discount rate, the rate of interest that the Company estimates it would pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment, as the lease does not provide an implicit rate.

For the years ended December 31, 2021 and 2020, operating lease expense and cash paid were each $0.5 million. The Company recognized non-cash right-of-use assets and lease liabilities of $3.2 million upon adoption of ASU 2016-02 on January 1, 2019. Operating lease right-of-use asset amortization was $0.4 million for each of the years ended December 31, 2021 and 2020. Variable costs were *de minimis* for the years ended December 31, 2021 and 2020.

The following table presents the lease liability related to the Company's operating lease as of December 31, 2021 (in thousands):

Years Ending December 31,		
2022	$	432
2023		445
2024		459
2025		472
2026		486
Thereafter		501
Total operating lease payments		2,795
Less: imputed interest		(531)
Total operating lease liability	$	2,264

Note 11. Equipment Financing

During 2018, the Company entered into four loan agreements to finance 25 automobiles. The loans matured in 2021 and bore interest at a weighted average interest rate of 6.5%. These loans were secured by the automobiles. Interest expense for the years ended December 31, 2021 and 2020 was *de minimis* and $28,000, respectively. The loans were repaid in full in March 2021.

Note 12. Net Loss per Share

The Company calculates basic net loss per share by dividing net loss by the weighted average number of common shares outstanding during the reporting period. A net loss cannot be diluted so when the Company is in a net loss position, basic and diluted loss per common share are the same. If in the future the Company achieves profitability, the denominator of a diluted earnings per common share calculation will include both the weighted average number of shares outstanding and the number of common stock equivalents, if the inclusion of such common stock equivalents would be dilutive. Dilutive common stock equivalents include warrants, stock options and non-vested restricted stock awards and restricted stock units using the treasury stock method, along with the effect, if any, from outstanding convertible securities.

The Company's outstanding warrants to purchase common stock have participation rights to any dividends that may be declared in the future and are therefore considered to be participating securities. Participating securities have the effect of diluting both basic and diluted earnings per share during periods of income. During periods of loss, no loss is allocated to the participating securities since the holders have no contractual obligation to share in the losses of the Company.

Anti-dilutive common share equivalents excluded from the computation of diluted net loss per share at December 31, 2021 consisted of warrants of 2,419,280, stock options of 108,448, restricted stock awards of 179,334, restricted stock units of 70,025 and Employee Stock Purchase Plan ("ESPP") shares of 22,639.

Anti-dilutive common share equivalents excluded from the computation of diluted net loss per share at December 31, 2020 consisted of warrants of 2,345,033, stock options of 142,171, restricted stock units of 33,548, restricted stock awards of 290,536 and ESPP shares of 3,200.

Note 13. Equity Offerings

In December 2021, the Company completed ATM offerings of 54,077 shares of common stock at a weighted average price of $1.79 per share. The Company received approximately $0.1 million in net proceeds, after deducting placement agent fees.

During July 2021 and August 2021, the Company completed ATM offerings of 1,139,306 shares of common stock, at a weighted average price of $4.00 per share. The Company received approximately $4.4 million in net proceeds, after deducting placement agent fees.

During May 2021 and June 2021, the Company completed ATM offerings of 2,582,019 shares of common stock at a weighted average price of $4.29 per share. The Company received approximately $10.6 million in net proceeds, after deducting placement agent fees.

In February 2021, the Company completed an ATM offering of 35,768 shares of common stock at a price of $8.39 per share. The Company received approximately $0.3 million in net proceeds, after deducting placement agent fees. The Company also incurred $0.2 million in offering fees and other expenses in association with filing the related Registration Statement on Form S-3 with the SEC.

In May 2020, the Company completed a public offering (the "May 2020 Offering") of an aggregate of 888,888 shares of common stock, together with accompanying warrants to purchase up to an aggregate of 888,888 shares of common stock, at a public offering price of $11.25 per share and accompanying warrant. Each share of common stock was sold in the offering with one warrant to purchase one share of common stock. The warrants have an exercise price of $11.25 per share, are immediately exercisable, and expire five years following the date of issuance. Placement agent warrants were issued to purchase up to an aggregate of 62,222 shares of common stock, are immediately exercisable for an exercise price of $14.06, and expire five years following the date of issuance. The Company received approximately $8.7 million in net proceeds, after deducting placement agent fees and other offering expenses of $1.3 million.

The warrants and placement agent warrants were valued at an aggregate $3.5 million using the Black-Scholes option pricing model based on the following assumptions; expected volatility 59.86%, risk-free interest rate 0.34%, expected dividend yield 0.00% and an expected term of 2.5 years.

In June 2020, the Company issued 73,506 shares of common stock in connection with the exercise of warrants issued in the May 2020 Offering.

In August 2020, the Company completed another public offering (the "August 2020 Offering") of an aggregate of 1,371,429 shares of common stock, together with accompanying warrants to purchase up to an aggregate of 1,371,429 shares of common stock, at an offering price of $8.75 per share and accompanying warrant. Each share of common stock was sold in the offering with one warrant to purchase one share of common stock. The warrants have an exercise price of $8.75 per share, are immediately exercisable, and expire five years following the date of issuance. Placement agent warrants were issued to purchase up to an aggregate of 96,000 shares of common stock, are immediately exercisable for an exercise price of $10.94, and expire five years following the date of issuance. The Company received approximately $10.4 million in net proceeds, after deducting placement agent's fees and other estimated offering expenses of $1.6 million payable by it.

The warrants and placement agent warrants were valued at an aggregate $4.0 million using the Black-Scholes option pricing model based on the following assumptions; expected volatility 59.72%, risk-free interest rate 0.17%, expected dividend yield 0.00% and an expected term of 2.5 years.

As of December 31, 2021, the Company had 2,186,811 and 158,222 shares of common stock reserved for issuance pursuant to the warrants and placement agent warrants, respectively, issued by the Company in the May 2020 Offering and August 2020 Offerings. In addition, the Company had 74,247 shares of common stock reserved for issuance pursuant to the warrant issued by the Company in August 2021 to the broker in the sale of the Dermatology Business.

Note 14. Stock-Based Compensation

2018 Stock Compensation Plan

In June 2018, the 2018 Stock Compensation Plan (the "Compensation Plan") was established whereby 132,000 shares of the Company's common stock were reserved for issuance. The Company's board of directors authorized 76,076 replacement stock options and 53,633 replacement restricted stock units (collectively, the "Replacement Awards") to eligible employees, directors and consultants for equity awards that had been granted under a previous plan. The Compensation Plan was terminated in September 2018 in connection with the adoption of the Company's 2018 Equity Incentive Plan described below and, accordingly, no new awards were available for issuance under the Compensation Plan. The Replacement Awards vested at various times through January 2020.

2018 Equity Incentive Plan

In September 2018, the Company's board of directors adopted, and the Company's stockholders approved, the 2018 Equity Incentive Plan (the "2018 Plan") which provides for the grant of incentive stock options, non-statutory stock options, restricted stock awards, restricted stock units, performance-based stock awards and other forms of equity compensation to the Company's employees, directors and consultants. Stock options granted under the 2018 Plan generally vest one-fourth on the first anniversary of the vesting commencement date with the balance vesting monthly over the remaining three years. Restricted stock units granted under the 2018 Plan generally vest one third on the first anniversary of the vesting commencement date and one sixth every six months thereafter such that the award will be fully vested on the third anniversary of the vesting commencement date. As of December 31, 2021, 188,307 shares of common stock were reserved for future issuance pursuant to the 2018 Plan which included (1) those shares reserved but unissued under the Compensation Plan and (2) shares of common stock subject to or issued pursuant to awards granted under the Compensation Plan that expired or otherwise terminated or were forfeited. The number of shares available for issuance under the 2018 Plan also includes an annual increase on the first day of each fiscal year equal to the lesser of (1) 65,285 shares; (2) 5% of the outstanding shares of our common stock as of the last day of the immediately preceding fiscal year; or 3) such other amount as the Company's board of directors may determine. On January 1, 2021, the annual increase of 65,285 additional shares of common stock were available for future grants under the 2018 Plan.

2020 Inducement Equity Incentive Plan

In March 2020, the Company adopted the 2020 Inducement Equity Incentive Plan (the "2020 Plan") for the purpose of attracting, retaining and incentivizing employees in furtherance of the Company's success. The 2020 Plan was adopted without stockholder approval pursuant to Rule 303A.08 of the New York Stock Exchange. The 2020 Plan is used to offer equity awards as material inducements for new employees to join the Company. Upon adoption of the 2020 Plan, 32,000 shares of common stock were reserved for the granting of inducement stock options, restricted stock awards, restricted stock units and other forms of equity awards. As of December 31, 2021, 9,000 shares of common stock were reserved for future issuance under the 2020 Plan.

Stock Options

The following is a summary of stock option activity for employees of continuing operations and discontinued operations for the year ended December 31, 2021:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2020				
2018 Plan	124,171	$ 363.31		
2020 Plan	18,000	$ 25.50		
	142,171	$ 320.54		
Forfeited	(33,723)	$ 240.17		
Outstanding at December 31, 2021	108,448	$ 345.54	5.82	$ —
Exercisable at December 31, 2021	88,324	$ 422.83	5.27	$ —
Vested and expected to vest at December 31, 2021	108,448	$ 345.54	5.82	$ —

The Company did not grant any stock options during the year ended December 31, 2021. The weighted average grant date fair value of stock options granted during the year ended December 31, 2020 under the 2018 Plan and 2020 Plan was $30.69 and $25.50, respectively. The fair value of the stock options granted during the year ended December 31, 2020 under the 2018 Plan and 2020 Plan was estimated using the Black Scholes option pricing model and the weighted average assumptions set forth below:

	2018 Plan	2020 Plan
Risk-free interest rate	1.30%	0.50%
Volatility	58.96%	58.33%
Expected dividend yield	0.00%	0.00%
Expected life (in years)	5.8	6.3

Restricted Stock Units

The following is a summary of the restricted stock unit activity for the 2018 Plan for employees of continuing operations and discontinued operations for the year ended December 31, 2021:

	Restricted Stock Units		Weighted Average Grant Date Fair Value
Outstanding at December 31, 2020	33,548	$	21.93
Granted	61,259	$	2.74
Vested	(6,974)	$	45.12
Forfeited	(17,808)	$	13.59
Outstanding at December 31, 2021	70,025	$	4.37

Restricted Stock Awards

In November 2020, the Company granted 266,161 RSAs under the 2018 Plan that were subject to both time-based vesting and the achievement of specific performance goals. During the year ended December 31, 2021, the Company determined that two of the three performance goals had not been achieved. As such, 74,998 RSAs were cancelled, and the previously recognized stock-based compensation expense of approximately $27,000 was reversed.

A summary of the restricted stock award activity for employees of continuing operations and discontinued operations for the year ended December 31, 2021 is presented below:

	Restricted Stock Awards		Weighted Average Grant Date Fair Value
Outstanding at December 31, 2020			
2018 Plan	286,161	$	4.77
2020 Plan	4,375	$	25.50
	290,536	$	5.08
Granted	103,939	$	4.82
Vested	(88,781)	$	5.93
Cancelled	(74,998)	$	4.81
Forfeited	(51,362)	$	4.81
Outstanding at December 31, 2021	179,334	$	4.71

Employee Stock Purchase Plan

In September 2018, the Company's board of directors adopted the 2018 Employee Stock Purchase Plan (the "ESPP") which permits eligible employees to purchase the Company's common stock at a discount through payroll deductions during defined offering periods. Eligible employees may elect to withhold up to 15% of their base earnings to purchase shares of the Company's common stock at a price equal to 85% of the fair market value on the first day of the offering period or the purchase date, whichever is lower. The number of shares of common stock reserved for issuance under the ESPP will automatically increase on January 1 of each fiscal year by the lesser of (1) 11,870 shares, (2) 1.25% of the total number of shares outstanding on December 31 of the preceding fiscal year, or (3) such other amount as the Company's board of directors may determine.

For the years ended December 31, 2021 and 2020, cash received from the exercise of purchase rights under the ESPP was approximately $0.1 million and $42,000, respectively. As of December 31, 2021, the Company had issued 32,206 shares of common stock under the ESPP, and 4,764 shares of common stock were reserved for future issuance.

Stock-based compensation expense recorded in operating expenses was as follows (in thousands):

	Year Ended December 31,	
	2021	2020
Selling, general and administrative	$ 1,750	$ 3,235
Research and development	304	447
Stock-based compensation expense	$ 2,054	$ 3,682

Stock-based compensation of $0.1 million and $0.2 million was capitalized to property and equipment and inventory during the years ended December 31, 2021 and 2020, respectively.

Total unrecognized estimated stock-based compensation expense by award type and the remaining weighted average recognition period over which such expense is expected to be recognized at December 31, 2021 was as follows:

	Unrecognized Expense (in thousands)	Remaining Weighted Average Recognition Period (in years)
Stock options	$ 313	1.7
Restricted stock awards	$ 622	2.2
Restricted stock units	$ 252	2.1

Note 15. Income Taxes

A reconciliation of the differences between the U.S. statutory federal income tax rate and the effective tax rate as provided in the statements of operations is as follows:

	Year Ended December 31,	
	2021	2020
Tax computed at the federal statutory rate	21.0%	21.0%
State income taxes, net of federal benefits	1.3	5.1
Stock-based compensation	(2.6)	(2.2)
Tax exempt income	1.7	—
Deferred tax adjustments	—	(57.0)
Nondeductible expenses	—	(0.1)
Change in valuation allowance	(21.4)	33.2
	—	—

The federal and state income tax provision is summarized as follows (in thousands):

	Year Ended December 31, 2021	2020
Current		
Federal	$ —	$ —
State	4	7
	4	7
Deferred		
Federal	—	—
State	—	—
	—	—
Income tax expense	$ 4	$ 7

Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes, and (b) operating losses and tax credit carryforwards.

The tax effects of significant components of the Company's deferred tax assets (liabilities) are as follows (in thousands):

	December 31, 2021	2020
Deferred tax assets:		
Net operating loss carryforwards	$ 9,706	$ 3,720
Operating lease liabilities	556	691
Other accruals	71	101
Accrued compensation	399	448
Reserves	169	299
Deferred revenue	—	642
Intangible assets	56	32
Stock-based compensation	4,605	4,910
Total gross deferred tax assets	15,562	10,843
Deferred tax liabilities:		
Property and equipment	(348)	(805)
Operating lease right-of-use assets	(518)	(655)
Other	—	(61)
Total gross deferred tax liabilities	(866)	(1,521)
Valuation allowance	(14,696)	(9,322)
Total deferred taxes	$ —	$ —

At December 31, 2021, the Company had available federal and state net operating loss carryforwards of approximately $39.2 million and $41.2 million, respectively, which may potentially be used to offset future federal and state taxable earnings. The federal net operating loss can be carried forward indefinitely and the state net operating losses begin expiring in 2030. Use of these net operating loss carryforwards may be significantly limited under the tax rules regarding the use of losses following an ownership change under Internal Revenue Code ("IRC") Section 382. The Company has completed an IRC Section 382 analysis regarding the limitation of net operating losses through December 31, 2020 and determined that an ownership change occurred in May 2020. The Company calculated the limitation on net operating losses and other tax attributes and reduced the value of the deferred tax assets resulting in a tax expense impact of $20.8 million. The tax expense was offset by tax benefit recorded on the reduction in valuation allowance recorded for the deferred tax assets for the year ended December 31, 2020. The Company has not completed the IRC Section 382 analysis regarding the limitation of net operating losses for the year ended December 31, 2021.

As of December 31, 2021, the Company does not have any unrecognized tax benefits. The Company does not anticipate that the amount of unrecognized tax benefits will significantly increase in the next 12 months. There were no interest and penalties accrued as of December 31, 2021. The Company files U.S. federal and various states income tax returns, which are subject to examination by the taxing authorities for years 2017 and later. However, the federal net operating loss carryover may be adjusted three years from the date the loss is utilized on an income tax return.

ASC 740, *Income Taxes*, requires that the tax benefit of net operating losses, temporary differences and credit carryforwards be recorded as an asset to the extent that management assesses that realization is “more likely than not.” Realization of the future tax benefits is dependent on the Company’s ability to generate sufficient taxable income within the carryforward period. Because of the Company’s recent history of operating losses, management believes that recognition of the deferred tax assets arising from the above-mentioned future tax benefits is not currently more likely than not to be realized and, accordingly, has provided a full valuation allowance at December 31, 2021 and 2020.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which includes a number of provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations and technical corrections to tax depreciation methods for qualified improvement property. Under ASC 740, the effects of new legislation are recognized upon enactment. Accordingly, the effects of the CARES Act have been incorporated into the income tax provisions for the years ended December 31, 2021 and 2020. The CARES Act did not have a material impact on the income tax provisions for the years ended December 31, 2021 and 2020.

The Consolidated Appropriations Act 2021 (“CAA”), which was signed into law on December 27, 2020, provided that deductions are allowed for otherwise deductible expenses paid with the proceeds of a Paycheck Protection Program loan that is forgiven and that the tax basis and other attributes of the borrower’s assets will not be reduced as a result of the loan forgiveness. Prior to the enactment of the CAA, the deductions paid with the proceeds of a PPP loan that was forgiven were not allowed. These provisions did not have a material impact on the income tax provisions for the years ended December 31, 2021 and 2020.

Note 16. Commitments and Contingencies

Securities Class Action and Shareholder Derivative Litigation Update

On June 7, 2019, a putative securities class action complaint captioned *Derr v. Ra Medical Systems, Inc., et al.,* (Civil Action no. 19CV1079 LAB NLS) was filed in the U.S. District Court for the Southern District of California against the Company, certain current and former officers and directors, and certain underwriters of the Company’s initial public offering. Following the appointment of a lead plaintiff and the filing of a subsequent amended complaint, the lawsuit alleges that the defendants made material misstatements or omissions in the Company’s registration statement in violation of Sections 11 and 15 of the Securities Act of 1933 (the “Securities Act”) and between September 27, 2018 and November 27, 2019, inclusive, in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). On March 11, 2020, lead plaintiffs voluntarily dismissed the underwriter defendants without prejudice. On March 13, 2020, defendants filed a motion to dismiss the amended complaint. On March 24, 2021, the court issued an order granting defendants’ motion to dismiss claims under the Securities Act in full and certain claims under the Exchange Act and denying defendants’ motion to dismiss certain Exchange Act claims. Plaintiffs filed their second amended complaint on April 19, 2021, realleging the Securities Act claims and certain of the previously dismissed Exchange Act claims. On June 10, 2021, defendants moved to dismiss the second amended complaint. On November 12, 2021, following a private settlement mediation with the lead plaintiffs, the parties executed a stipulation of settlement that resolved the claims asserted in the securities class action. The settlement provides for a payment to the plaintiff class of $10.0 million. On March 18, 2022, we paid approximately $0.6 million towards the settlement and are working with our insurers to determine if we must pay an additional amount, up to an additional $0.4 million (total of $1.0 million), to satisfy our self-insured retention/deductible. Our insurers will pay the remaining amount towards the settlement. The proposed settlement requires both preliminary and final approval by the court. On February 11, 2022, the court granted preliminary approval of the settlement, scheduled a hearing on final approval of the settlement for June 13, 2022, and denied the pending motion to dismiss without prejudice. Should the court not approve the proposed settlement or if the proposed settlement otherwise does not become final, the parties will be returned to their litigation postures prior to the execution of the stipulation of settlement. Should the Company ultimately be found liable, the liability could have a material adverse effect on the Company's financial condition and its results of operations for the period or periods in which such determination is made.

On October 1, 2019, a shareholder derivative complaint captioned *Noel Borg v. Dean Irwin, et al* (Civil Action no. 1:99-cm-09999) was filed in the U.S. District Court for the District of Delaware against certain current and former officers and directors, purportedly on behalf of the Company, which is named as a nominal defendant in the action. The complaint alleges breaches of fiduciary duty, unjust enrichment, waste, and violations of Section 14(a) of the Exchange Act. On October 21, 2019, pursuant to the parties' stipulation, the court stayed the derivative lawsuit until the related class action is resolved. While the Company has obligations to indemnify and/or advance the defendants' legal fees and costs in connection with this lawsuit, any monetary recovery from the defendants would be to the benefit of the Company. The Company is unable to predict the ultimate outcome and is unable to make a meaningful estimate of the amount or range of loss, if any, that could result from any unfavorable outcome.

Settlement Agreements with the Department of Justice and Participating States

As previously announced on December 28, 2020, the Company entered into a settlement agreement ("Settlement Agreement") with the U.S., acting through the Department of Justice and on behalf of the Office of Inspector General, and other settlement agreements with certain state attorneys general to resolve investigations and a related civil action concerning its marketing of the DABRA laser system and DABRA-related remuneration to certain physicians.

Pursuant to the terms of the Settlement Agreement and the agreements with the participating states, (a) if the Company's revenue exceeds $10 million in any of fiscal years 2021-2024, the Company also is required to pay for the corresponding year: $500,000 for 2021, $750,000 for 2022, $1 million for 2023, and $1.25 million for 2024; (b) if the Company is acquired or is otherwise involved in a change in control transaction before the end of 2024, the Company is required to pay an additional settlement amount of $5 million, plus 4% of the value attributed to the Company in the transaction, so long as the attributed value is in excess of $100 million, with the total change in control payment never to exceed $28 million; and (c) if the Company's obligations under the Settlement Agreement are avoided by bankruptcy, the U.S. may rescind the releases and bring an action against the Company in which the Company agrees is not subject to an automatic stay, is not subject to any statute of limitations, estoppel or laches defense, and is a valid claim in the amount of $56 million, minus any prior change in control payments.

Other Litigation

In the normal course of business, the Company is at times subject to pending and threatened legal actions. In management's opinion, any potential loss resulting from the resolution of these matters will not have a material effect on the results of operations, financial position or cash flows of the Company.

Services Agreement

Pursuant to the terms of the Services Agreement between the Company and Strata, executed simultaneously with the sale of the Dermatology Business, the Company will continue to provide certain services to Strata, including certain support services and the sale of spare parts, through December 2022. Income earned and expenses incurred in accordance with the Services Agreement are recorded as other income (expense), net in the accompanying statement of operations for the year ended December 31, 2021.

Note 17. Employee Benefit Plan

In January 2019, the Company established a defined contribution plan under Section 401(k) of the Internal Revenue Code ("401(k) Plan"). Under the terms of the 401(k) Plan, all full-time employees are eligible to make voluntary contributions as a percentage or defined amount of compensation. The Company makes matching contributions based on 100% of each employee's contribution up to 3% and 50% of contributions between 3% and 5%, with the match-eligible contribution limited to 4% of the employee's eligible compensation. The Company's expense related to the matching contributions was $0.3 million for each of the years ended December 31, 2021 and 2020.

Note 18. Subsequent Events

On February 8, 2022, the Company closed the sale of shares under its public offering in which it sold 9,535,000 shares of common stock, 27,602,893 each of Series A and Series B warrants and 14,467,893 pre-funded warrants resulting in cash proceeds of approximately $10.2 million, net of $1.9 million of underwriting discounts and other offering expenses. In addition, the Company may incur additional offering expenses of between approximately $0.7 million and $0.9 million for a potential tail fee owed to its former placement agent. On February 10, 2022, the underwriter partially exercised its overallotment option and purchased an additional 1,245,116 shares of common stock, resulting in cash proceeds of approximately $0.5 million, net of underwriting discounts.

On January 18, 2022, H.C. Wainwright & Co. delivered written notice to the Company that it was terminating the ATM Agreement dated January 26, 2021. During the year ended December 31, 2021, the Company sold 3,811,170 shares of common stock for gross proceeds of approximately $16.0 million.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-250094, 333-237096, 333-237488, 333-227696, 333-230332, 333-254370 and 333-264495) and the Registration Statement on Form S-3 (No. 333-252432) of Ra Medical Systems, Inc. (the "Company") of our report dated March 23, 2022, relating to our audit of the Company's financial statements as of December 31, 2021, and for the year then ended, included in the Company's Annual Report on Form 10-K/A for the year ended December 31, 2021, which report includes an explanatory paragraph expressing substantial doubt regarding the Company's ability to continue as a going concern.

/s/ HASKELL & WHITE LLP

HASKELL & WHITE LLP

Irvine, California
July 12, 2022

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-250094, 333-237096, 333-237488, 333-227696, 333-230332, 333-254370, and 333-264495 on Form S-8 and Registration Statement No. 333-252432 on Form S-3 of our report dated March 16, 2021 (January 14, 2022 as to the effects of the discontinued operations as described in Note 3) appearing in this Annual Report on Form 10-K/A of Ra Medical Systems, Inc. for the year ended December 31, 2021.

/s/ DELOITTE & TOUCHE LLP

San Diego, California
July 12, 2022 (January 14, 2022 as to the effects of the discontinued operations as described in Note 3)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jonathan Will McGuire, certify that:

1. I have reviewed this Amendment No. 1 to Annual Report on Form 10-K of Ra Medical Systems, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 12, 2022

By: /s/ Jonathan Will McGuire
Jonathan Will McGuire
Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jonathan Will McGuire, certify that:

1. I have reviewed this Amendment No. 1 to Annual Report on Form 10-K of Ra Medical Systems, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 12, 2022

By: /s/ Jonathan Will McGuire
Jonathan Will McGuire
Chief Executive Officer and Interim Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, Jonathan Will McGuire, hereby certify that, to my knowledge:

(i) the Company's Amendment No 1. to Annual Report on Form 10-K for the year ended December 31, 2021 to which this Certification is attached as Exhibit 32.1 (the "Report") fully complies with the requirements of section 13(a) or 15(d) of the Exchange Act, and

(ii) that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ra Medical Systems, Inc.

Date: July 12, 2022

By: /s/ Jonathan Will McGuire
Jonathan Will McGuire
Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer)

This certification accompanies the Amendment No. 1 to Annual Report on Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Ra Medical Systems, Inc. under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, Andrew Jackson, hereby certify that, to my knowledge:

(i) the Company's Amendment No. 1 to Annual Report on Form 10-K for the year ended December 31, 2021 to which this Certification is attached as Exhibit 32.2 (the "Report") fully complies with the requirements of section 13(a) or 15(d) of the Exchange Act, and

(ii) that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ra Medical Systems, Inc.

Date: July 12, 2022

By: /s/ Jonathan Will McGuire
Jonathan Will McGuire
Chief Executive Officer and Interim Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Amendment No. 1 to Annual Report on Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Ra Medical Systems, Inc. under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.