Risk Factors Comparison 2024-03-07 to 2023-03-08 Form: 10-K

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An investment in our company involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all the other information in this Annual Report on Form 10- K, including Item 7 " Management' s Discussion and Analysis of Financial Condition and Results of Operations " and the consolidated financial statements and the notes thereto included in Item 8 " **Consolidated** Financial Statements and Supplementary Data. " If any of the following risks actually occurs, our business, reputation, financial condition, results of operations, revenue, and future prospects could be seriously harmed. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. Unless otherwise indicated, references to our business being seriously harmed in these risk factors will include harm to our business, reputation, financial condition, results of operations, revenue and future prospects. In that event, the market price of our common stock could decline, and you could lose part or all of your investment. Risks Related to Our Business and Strategy We currently depend entirely on the successful commercialization of our only **commercially available** product, Jeuveau ®. If we are unable to successfully market and sell Jeuveau ®, we may not generate sufficient revenue to continue our business. We currently have only one **commercially available** product, Jeuveau ®, and our business presently depends entirely on our ability to successfully market and sell it in a timely manner. **We** ~~While the product was~~ commercially launched in the United States in May 2019 ~~,~~ **and** through a distribution partner in Canada in October 2019 ~~,~~**. We commercially launched** in **Europe** ~~Great Britain~~ in September 2022, and **as such** ~~in Germany and Austria in February 2023~~, we have a limited history of generating revenue for Jeuveau ® **in those markets**. Our near- term prospects, including our ability to generate revenue, as well as our future growth, depend entirely on the successful commercialization of Jeuveau ®. The commercial success of Jeuveau ® will depend on a number of factors, including our ability to successfully commercialize Jeuveau ®, whether alone or in collaboration with others, including our ability to hire, retain and train sales representatives in the United States. Our ability to market and sell Jeuveau ® is also dependent on the willingness of consumers to pay for Jeuveau ® relative to other discretionary items, especially during economically challenging times. Additional factors necessary for the successful commercialization of Jeuveau ® include the availability, perceived advantages, relative cost, relative safety of Jeuveau ® and relative efficacy of competing products, the timing of new product introductions by ~~us or~~ our competitors, and the sales and marketing tactics of our competitors, including bundling of multiple products, in response to our launch of Jeuveau ®. Each of these factors may vary on a country by country basis as we expand our operations. If we do not achieve one or more of these factors, many of which are beyond our control, in a timely manner or at all, we could experience significant issues commercializing Jeuveau ®. Further, we may never be able to successfully market and sell Jeuveau ® or any future product candidates. In addition, our experience as a commercial company is limited. Accordingly, we may not be able to generate sufficient revenue through the sale of Jeuveau ® or any future product candidates to continue our business. We have a limited operating history and have incurred significant losses since our inception and anticipate that we may incur losses in the future. We have only one product and limited commercial sales, which, together with our limited operating history, makes it difficult to assess our future viability. We are a **global** performance beauty company with a limited operating history. To date, we have invested substantially all of our efforts and financial resources in the clinical development, regulatory approval, and commercial launch of Jeuveau ®, which is currently our only **commercially available** product. We began selling Jeuveau ® in the United States in May 2019 ~~,~~**and** through a distribution partner in Canada in October 2019 ~~,~~**. We began selling Jeuveau ®** in **Europe** ~~Great Britain~~ in September 2022 and **, as such,** ~~in Germany and Austria in February 2023 and~~ have a limited history of generating revenue **in those markets**. We have incurred losses in each year since our inception in 2012. We have a limited operating history upon which you can evaluate our business and prospects. Consequently, any predictions about our future success, performance or viability may not be as accurate as they could be if we had a longer operating history or greater experience commercializing a product. In addition, we have limited experience and have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in the medical aesthetics field. We continue to incur significant expenses related to the commercialization of Jeuveau ®. We ~~have~~ recorded net losses of $ **61. 7 million and $** 74. 4 ~~million and $ 46. 8~~ million for the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively ~~, and~~ **. We** had an accumulated deficit as of December 31, ~~2022~~ **2023** of $ ~~497~~ **559**. ~~3~~ **0** million. Our ability to achieve revenue and profitability is dependent on our ability to successfully market and sell Jeuveau ®. Even if we achieve profitability in the future, we may ~~not~~ **notbe** ~~be~~ able to sustain profitability in subsequent periods. Our prior losses, combined with expected future losses, may adversely affect the market price of our common stock and, if needed, our ability to raise capital to continue operations. We **are reliant on Symatese to achieve regulatory approval for the Evolysse ™ product line in the United States and Europe. Failure to obtain approval or obtain approval on our estimated time frame for the Evolysse ™ product line would negatively affect our ability to sell these products. The FDA and European regulatory processes for medical devices such as Evolysse ™ are complex, time- consuming and subject to numerous inherent risks. Before Evolysse ™ can be marketed in the United States or Europe, Symatese must obtain regulator approval for the dermal fillers. Regulators must determine that a proposed device is safe and effective for its intended use based, in part, on extensive data, including, but not limited to, technical, pre- clinical, clinical trial, manufacturing and labeling data. In addition, modifications to products that are approved by regulatory agencies generally require approval. We are substantially dependent on our relationship with Symatese for the regulatory approval process of the Evolysse ™ dermal filler**

product candidates. While we have agreed to share certain costs associated with the regulatory approval process to provide our experience to Symatese, Symatese is ultimately responsible for obtaining regulatory approval of the Evolysse ™ product line. If Symatese encounters difficulties or delays in obtaining regulatory approvals for these products, our ability to commercialize and generate revenue from these products could be materially and adversely affected. As a result, our reliance on Symatese for the regulatory approval process exposes us to risks associated with Symatese' s ability to successfully navigate the complex regulatory landscape. If we are unable to manage these risks effectively, it could have a material adverse effect on our business, financial condition, and results of operations. In addition, if Symatese fails to maintain compliance with applicable regulatory requirements or if regulatory authorities impose new requirements, the approval process could be delayed or approvals could be denied. This may result in additional costs, reduced revenue projections, and potential harm to our business, reputation and market position. We may require additional financing to fund our future operations **or execute corporate development activities** , and a failure to obtain additional capital when so needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our operations. We have utilized substantial amounts of cash since our inception in order to conduct clinical development to support regulatory approval and launch of Jeuveau ® in the United States, Europe, Canada, and Australia. We expect that we will continue to expend substantial resources for the foreseeable future in order to continue to market and sell Jeuveau ® and for the clinical development of **Evolysse ™ and** any additional product candidates we may choose to pursue. While we believe that we currently have adequate capital resources, which consist of cash and cash equivalents and cash generated from operations, to operate our business until our business generates profits and positive cash flow, this belief is based upon certain financial assumptions including net revenue, gross margin, working capital and expense assumptions. If these assumptions are incorrect, or if we experience other risks or uncertainties set forth in this Annual Report on Form 10- K, we may require additional capital to operate our business. We expect to expend resources furthering the development and continuation of our marketing programs and commercialization infrastructure in connection with commercializing Jeuveau ® within and outside of the United States. **We have also agreed to reimburse Symatese for certain clinical trial expenses related to the Evolysse ™ Lip and Eye products in the United States and for certain regulatory filing fees in Europe.** In the long term, our expenditures will include costs associated with the continued commercialization of Jeuveau ®, research and development, approval and commercialization of products and any of our future product candidates, including our proposed higher strength dose of Jeuveau ® **and the Evolysse ™ line of dermal fillers** , such as research and development, conducting preclinical studies and clinical trials and manufacturing and supplying as well as marketing and selling any products approved for sale. Because the commercialization expenditures needed to meet our sales objectives are highly uncertain, we cannot reasonably estimate the actual amounts necessary to successfully market and sell Jeuveau ® **or, if approved, the Evolysse ™ line of dermal fillers** . We may in the future, also, acquire other companies or products which may be costly and which may require additional capital to operate. In addition, other unanticipated costs may arise. Accordingly, our actual cash needs may exceed our expectations. If we were to raise additional capital through marketing and distribution arrangements **,** or other collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish certain valuable rights to our product candidates, technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to us. If we raise additional capital through public or private equity offerings or offerings of securities convertible into our equity, the ownership interest of our existing stockholders will be diluted and the terms of any such securities may have a preference over our common stock. Debt financing, receivables financing and royalty financing may also be coupled with an equity component, such as warrants to purchase our capital stock, which could also result in dilution of our existing stockholders' ownership, and such dilution may be material. Additionally, if we raise additional capital through debt financing, we will have increased fixed **or variable** payment obligations and may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt or making capital expenditures to meet specified financial ratios, and other operational restrictions, any of which could restrict our ability to market and sell Jeuveau ® or any future product candidates or operate as a business and may result in liens being placed on our assets. If we were to default on any of our indebtedness, we could lose such assets. In addition, the global economy, including the financial and credit markets, has recently experienced significant volatility and disruptions, including severely diminished liquidity and credit availability and rising interest rates. In the event we are unable to raise sufficient capital to fund our commercialization efforts to achieve specified minimum sales targets under the Daewoong Agreement, **Symatese U. S. Agreement and the Symatese Europe Agreement,** we will lose exclusivity of the license that we have been granted under ~~the~~ **those** ~~Daewoong~~ **respective** ~~Agreement~~ **agreements** . In addition, if we are unable to raise additional capital when required or on acceptable terms, we will be required to take actions to address our liquidity needs which may include the following: significantly reduce operating expenses and delay, reduce the scope of or discontinue some of our development programs, commercialization efforts or other aspects of our business plan, out- license intellectual property rights to our product candidates and sell unsecured assets, or a combination of the above. As a result, our ability to achieve profitability or to respond to competitive pressures would be significantly limited and may have a material adverse effect on our business, results of operations, financial condition and / or our ability to fund our scheduled obligations on a timely basis or at all. If we or our counterparties do not comply with the terms of our settlement agreement with Medytox, we may face litigation or lose our ability to market and sell Jeuveau ®, which would materially and adversely affect our ability to carry out our business and our financial condition and ability to continue as a going concern. Effective February 18, 2021, we entered into a Settlement and License Agreement with Medytox which we refer to as the Medytox Settlement Agreement. Under the Medytox Settlement Agreement we obtained (i) a license to commercialize, manufacture and to have manufactured for us certain products identified in the Medytox Settlement Agreements, including Jeuveau ® (the " Licensed Products "), in the United States and other territories where we license Jeuveau ®, (ii) the dismissal of outstanding litigation against us, including the ITC Action, a rescission of the related remedial orders, and the dismissal of a civil case in the Superior Court of California against us, which

we refer to together with any claims (including claims brought in Korean courts) with a common nexus of fact as the Medytox / Allergan Actions, and (iii) releases of claims against us for the Medytox / Allergan Actions. ~~Going forward~~ **Under the agreement,** we ~~are~~ **remain** obligated to pay to Medytox a mid- single digit royalty percentage on net sales of Jeuveau ® in the United States and all territories we have licensed outside the United States until September 16, 2032. In addition, under the Medytox Settlement Agreement we made certain representations and warranties and agreed to certain customary positive and negative covenants. In the event we fail to comply with the terms of the Medytox Settlement Agreement, subject to applicable cure periods, Medytox would have the ability to terminate the Medytox Settlement Agreement and thereby cancel the licenses granted to us and re- institute litigation against us. Any litigation may result in remedies against our products, resulting in either an injunction prohibiting our sales, or with respect to our sales, an obligation on our part to pay royalties and / or other forms of compensation to third parties, any of which would materially and adversely affect our ability to generate revenue from Jeuveau ®, to carry out our business, and to continue as a going concern. Additionally, if Medytox fails to comply with the terms of the Medytox Settlement Agreement and comply with the covenants and agreements under the Medytox Settlement Agreement, it could materially and adversely affect our ability to generate revenue from Jeuveau ®, to carry out our business, and to continue as a going concern. For example, as required by the Medytox Settlement Agreement, in February 2021 Medytox filed a document with the Korean court that its litigation with Daewoong would not affect **our** ~~Evolus'~~ right to have Jeuveau ® manufactured by Daewoong or exported to ~~Evolus~~ **us** . If Medytox were to breach the Medytox Settlement Agreement and rescind this filing and the Korean court issued a ruling against Daewoong, our supply of Jeuveau ® could be hindered. We would also be required to engage in costly and time- consuming litigation in order to enforce our rights under the Medytox Settlement Agreement. The terms of the Medytox Settlement Agreement will reduce our profitability until the royalty obligations expire, and may affect the extent of any discounts we may offer to our customers. As a result of the royalty payments that we are required to pay under the Medytox Settlement Agreement, our profitability has and will be adversely impacted for the period that we are required to pay royalties. We may be able to offset a portion of the loss of profitability by decreasing any discount to customers on Jeuveau ® as compared to discounts we provided to customers prior to the Medytox Settlement Agreement. If we reduce discounts for any customers, their volume of purchases may decrease which would have a material and adverse effect on our business and results of operations. We are subject to risks associated with a public health crisis, including the COVID- 19 pandemic and other outbreaks of contagious diseases. We are subject to risks associated with public health crises, including relating to the COVID- 19 pandemic. The COVID- 19 pandemic had, and may continue to have, a material adverse effects on our business, financial condition, results of operations and cash flows. Other public health crises, including any future outbreaks of contagious diseases, could have a similar material adverse effect on our business. Financial and operational impacts that we experienced in connection with the COVID- 19 pandemic, and may experience as a result of future COVID- 19 outbreaks or other public health crises, include: • a decline in the rates of elective procedures; • difficulties in enrolling patients in clinical programs; • changes in the availability of our key personnel; • temporary closures of our facilities or the facilities of our business partners, customers, third party service providers or other vendors; • interruptions to our supply chain and distribution channels; and • downstream economic effects, including disruptions capital or financial markets, increased inflation and rising interest rates. Depending on the severity of the financial and operational impacts, our business, financial condition, and results of operations may be materially adversely impacted. The extent to which any future public health crises may impact our business, results of operations, and financial condition depends on many factors which are highly uncertain and are difficult to predict. These factors include, but are not limited to, the duration and spread of any outbreak, its severity, the actions to contain or address the impact of the outbreak, the timing, distribution, and efficacy of vaccines and other treatments, United States and foreign government actions to respond to possible reductions in global economic activity, and how quickly and to what extent normal economic and operating conditions can resume. Unfavorable global economic conditions could adversely affect our business, financial condition or results of operations. Because we do not expect Jeuveau ® for the treatment of glabellar lines **or, subject to regulatory approval, the Evolysse ™ line of dermal fillers** to be reimbursed by any government or third- party payor, our ~~only product~~ **products** ~~is and~~ will continue to be paid for directly by the consumer. Demand for Jeuveau ® **and, subject to regulatory approval, the Evolysse ™ line of dermal fillers,** is accordingly tied to the discretionary spending levels of our targeted consumer population. A severe or prolonged economic downturn **, instability or crises affecting banks or other financial institutions,** or inflation in consumer prices, as we are currently experiencing, could result in a variety of risks to our business, including a decline in the discretionary spending of our target consumer population, which could lead to a weakened demand for Jeuveau ® **, Evolysse ™,** or any future product candidates. A severe or prolonged economic downturn may also affect our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy **, instability or crises affecting banks or other financial institutions, or political disruption or geopolitical conflicts, including the military conflict between Russia and Ukraine and the ongoing conflict in the Middle East,** could also strain our suppliers, possibly resulting in supply disruption, or cause our customers to delay making payments for our products. Inflation in the markets we serve could similarly impact our revenues, as consumer spending power could decline. Any of the foregoing could harm our business. In addition, our business strategy was developed based on a number of important assumptions about the ~~self~~ **cash** - pay healthcare market. For example, we believe that the number of ~~self~~ **cash** - pay healthcare procedures will increase in the future. However, these trends are uncertain and limited sources exist to obtain reliable market data. Therefore, sales of Jeuveau ® or any of our future product candidates could differ materially from our projections if our assumptions are incorrect. ~~Jeuveau ® faces~~ **Adverse developments affecting the financial services industry** , **including events or concerns involving liquidity, defaults or non- performance by financial institutions, could adversely affect our business, financial condition or results of operations. The funds in our operating accounts are held in banks or other financial institutions. Our cash held in non- interest bearing** and **interest- bearing accounts exceeds applicable Federal Deposit Insurance Corporation (" FDIC ") insurance limits. Bank failures, events involving limited liquidity, defaults,**

non- performance or other adverse developments occur with respect to the banks or other financial institutions that hold our funds, or that affect financial institutions or the financial services industry generally, or concerns or rumors about any **events** of **these kinds** ~~our~~ - **or** ~~future product candidates~~ **other similar risks may lead to widespread demands for customer withdrawals and liquidity constraints that may result in market- wide liquidity problems, which could adversely impact our liquidity. For example, on March 10, 2023, the FDIC announced that Silicon Valley Bank had been closed by the California Department of Financial Protection and Innovation. On March 26, 2023, the assets, deposits and loans of Silicon Valley Bank were acquired by First- Citizens Bank & Trust Company. Although we did not have any funds in Silicon Valley Bank or other institutions that have been closed, we cannot guarantee that the banks or other financial institutions that hold our funds** will **not experience similar issues. In addition, investor concerns regarding the U. S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on terms favorable to us, or at all, and could have material adverse impacts on our liquidity, our business, financial condition or results of operations, and our prospects. Our business may be adversely impacted by these developments in ways that we cannot predict at this time, there may be additional risks that we have not yet identified, and we cannot guarantee that we will be able to avoid negative consequences. Our products** face ~~,~~ significant competition and our failure to effectively compete may prevent us from achieving significant market penetration and expansion. Jeuveau ® is approved for use **and Evolysse ™ is being investigated for use** in ~~facial~~ **medical** aesthetic ~~medicine~~ **market. Regulatory approval has been received for the Evolysse ™ nasolabial fold product in Europe and the remaining three products are anticipated to be approved in late 2024** . The ~~facial~~ **United States regulatory approval and commercial launch is expected in 2025 for the first two products with subsequent regulatory approval and product launches for the remaining products in 2026 and 2027. The medical** aesthetic market is highly competitive and dynamic and is characterized by rapid and substantial technological development and product innovations. **Our products face** ~~We have received regulatory approval of Jeuveau ® for the treatment of glabellar lines and launched commercially in the United States~~ , ~~Great Britain, Germany~~ and **we** ~~Austria and through a distribution partner in Canada. We~~ anticipate that ~~Jeuveau ®~~ **our future products** will face **,** significant competition from other facial aesthetic products, such as other injectable and topical botulinum toxins and dermal fillers. ~~Jeuveau ®~~ **Our products** may also compete with unapproved and off- label treatments. Many of our potential competitors, including ~~Allergan, and now~~ AbbVie Inc., which acquired Allergan, who first launched BOTOX for cosmetic uses in 2002 and has since maintained the highest market share position in the aesthetic neurotoxin market with its BOTOX product, are large, experienced companies that enjoy significant competitive advantages, such as substantially greater financial resources enabling them to, among other things, market and discount aggressively. **Within the dermal filler market we will also face large, experienced competitors such as AbbVie and Galderma.** Competitors may also have greater brand recognition for their products, larger sales forces and larger aesthetic product portfolios allowing the companies to bundle products to provide customers more choices and to further discount their products. Additionally, our competitors have greater existing market share in the **medical** aesthetic ~~neurotoxin product~~ market and long- standing customer loyalty programs and sales contracts with large customers which creates established business and financial relationships with customers, aesthetic societies and universities. These competitors may also try to compete with ~~Jeuveau ®~~ **our aesthetic products** on price both directly, through rebates and promotional programs to high volume ~~physicians~~ **customers** and coupons to consumers, and indirectly, through attractive product bundling with complimentary products, such as dermal fillers that offer convenience and an effectively lower price compared to the total price of purchasing each product separately. These companies may also seek to compete based on their longer operating history. Larger companies may be better capitalized than us and, accordingly, are able to offer greater customer loyalty benefits to encourage repeat use of their products and finance a sustained global advertising campaign to compete with our commercialization efforts at launch. A number of our larger competitors also have access to a significant number of studies and publications that they could use to compete with us. In the long term, we expect to expand our focus to the broader ~~self~~ **cash** - pay healthcare market. Competitors and other parties may seek to impact regulatory approval of our future product applications through the filing of citizen petitions or other similar documents, which could require costly and time- consuming responses to the regulatory agencies. Larger competitors could seek to prevent or delay our commercialization efforts via costly litigation which can be lengthy and expensive and serve to distract our management team' s attention. We could face competition from other sources as well, including academic institutions, governmental agencies and public and private research institutions. In addition, we are aware of other companies also developing and / or marketing products in one or more of our target markets, including competing injectable botulinum toxin type A formulations that are currently in Phase III clinical development in North America for the treatment of glabellar lines. For example, Revance Therapeutics, Inc. obtained approval for an injectable botulinum toxin type A neurotoxin on September 8, 2022, called " Daxxify ~~.~~ " **and Hugel, Inc. obtained approval for its injectable botulinum toxin type A neurotoxin on February 29, 2024.** Additionally, ~~Hugel~~ **both Galderma S. A. and Medytox,** Inc. ~~,~~ **have** submitted a BLA to the FDA for an injectable botulinum toxin type A neurotoxin ~~and received a Complete Response Letter from the FDA in March 2022~~ . With the approval of Revance Therapeutic' s **and Hugel' s** ~~BLA~~ **BLAs** and the potential approval of **additional** ~~Hugel, Inc.' s BLA~~ **BLAs** , we expect the competition in the U. S. injectable botulinum toxin market to further increase. We would face similar risks with respect to any future product candidates that we may seek to develop or commercialize in the broader ~~self~~ **cash** - pay healthcare market. Successful competitors in that market have the ability to effectively discover, obtain patents, develop, test and obtain regulatory approvals for products, as well as the ability to effectively commercialize, market and promote approved products, including communicating the effectiveness, safety and value of products to actual and prospective customers and medical staff. Our strategy of competing in the aesthetic neurotoxin market is dependent on the marketing and pricing flexibility that we believe is afforded to a company with a portfolio limited to ~~self~~ **cash** - pay healthcare, comprised of products and

procedures that are not reimbursed by third- party payors. In the event that regulations applicable to reimbursed products are changed to apply to ~~self~~ **cash** - pay healthcare products, we would no longer have this flexibility and we may not be able to compete as effectively with our competitors which may have a material effect on our business, financial condition and results of operations. Additionally, as a result of the royalty payments that we are required to pay under the Medytox Settlement Agreement, we may not be able to discount Jeuveau ® to the extent that we previously provided discounts to customers without impacting our gross profit margins. If we increase prices for any customers, their volume of purchases may decrease which would have a material and adverse effect on our business and results of operations. In addition, competitors may develop new technologies within the **medical** aesthetic market that may be superior in safety and efficacy to ~~Jeuveau ®~~ **our products** or offer alternatives to the use of toxins **or dermal fillers** , including surgical and radio frequency techniques. To compete successfully in the **medical** aesthetic market, we will have to demonstrate that ~~Jeuveau ® is~~ **our products are** at least as safe and effective as current products sold by our competitors. Competition in the **medical** aesthetic market could result in price- cutting and reduced profit margins, any of which would harm our business, financial condition and results of operations. Due to less stringent regulatory requirements, there are many more aesthetic products and procedures available for use in international markets than are approved for use in the United States. There are also fewer limitations on the claims that our competitors in international markets can make about the effectiveness of their products and the manner in which they can market them. As a result, we expect to face more competition in these markets than in the United States. Our commercial opportunity could also be reduced or eliminated if our competitors develop and commercialize products that are safer, are more effective, have fewer or less severe side effects, are more convenient or are less expensive than Jeuveau ® or any other product that we may develop. Our competitors also may obtain FDA or other regulatory approval for these products more rapidly than we may obtain approval for our products, which could result in our competitors establishing a strong market position before we are able to enter the market, which may create additional barriers to successfully commercializing Jeuveau ® and any future product candidates and attracting ~~physician~~ **practitioner** and consumer demand. ~~Jeuveau ®~~ **Our products** may fail to achieve the broad degree of ~~physician~~ **aesthetic practitioner** adoption and use or consumer demand necessary for continued commercial success. Jeuveau ® **or, subject to regulatory approval, the Evolysse ™ line of dermal fillers** may fail to gain sufficient market acceptance by ~~physicians~~ **aesthetic practitioners** , consumers and others in the medical aesthetics community to continue to grow our net revenues. The continued commercial success of Jeuveau ® and any future product candidates, including a proposed higher strength dose of Jeuveau ® **and the Evolysse ™ line of dermal fillers** , will depend significantly on the broad adoption and use of the resulting product by ~~physicians~~ **aesthetic practitioners** for approved indications, including, in the case of Jeuveau ®, the treatment of glabellar lines and other aesthetic indications that we may seek to pursue. We are aware that other companies are seeking to develop alternative products and treatments, any of which could impact the demand for **our products. The degree and rate of practitioner adoption of** Jeuveau ® ~~. The degree and rate of physician adoption of Jeuveau ®~~ and any ~~future~~ product candidates depend on a number of factors, including the cost, profitability to our customers, consumer demand, characteristics and effectiveness of the product. Our success will also depend our ability to create compelling marketing programs, training of our customers and ability to overcome any biases ~~physicians~~ **aesthetic practitioners** or consumers may have toward the use, safety and efficacy of existing products over ~~Jeuveau ®~~ **our products** . Moreover, our competitors may utilize negative selling efforts or offer more compelling marketing or discounting programs than we are able to offer, including by bundling multiple aesthetic products to provide a more comprehensive offering than we can **so long** as Jeuveau ® **remains** ~~is currently~~ our ~~sole~~ **only commercially available** product. In addition, in its clinical trials, Jeuveau ® was clinically tested and compared to BOTOX **, both of which contain** ~~. Jeuveau ® is the only known neurotoxin product in the United States with~~ a 900 kDa complex ~~other than BOTOX~~ . We believe that aesthetic ~~physicians~~ **practitioners** ' familiarity with the 900 kDa complex' s handling, preparation and dosing will more easily facilitate incorporation of Jeuveau ® into their practices. However, the ease of integration of Jeuveau ® into ~~a physician~~ **an aesthetic practitioner** ' s practice may not be as seamless as we anticipate. With respect to consumer demand, the treatment of glabellar lines with Jeuveau ® is an elective procedure, the cost of which must be borne by the consumer, and we do not expect costs related to the treatment to be reimbursable through any third- party payor, such as Medicaid, Medicare or commercial insurance. The decision by a consumer to undergo treatment with Jeuveau ® for the treatment of glabellar lines or other aesthetic indications that we may pursue may be influenced by a number of factors, including the cost, efficacy, safety, perception, marketing programs for, and ~~physician~~ **aesthetic practitioner** recommendations of Jeuveau ® versus competitive products or procedures. Moreover, consumer demand may fluctuate over time as a result of consumer sentiment about the benefits and risks of aesthetic procedures generally and Jeuveau ® in particular, changes in demographics and social trends, rising inflation and general consumer confidence and consumer discretionary spending, which may be impacted by the COVID- 19 outbreak, economic and political conditions. If Jeuveau ® **, Evolysse ™,** or any ~~future~~ product candidates ~~fail~~ **fails** to achieve the broad degree of ~~physician~~ **aesthetic practitioner** adoption necessary for commercial success or the requisite consumer demand, our operating results and financial condition will be adversely affected, which may delay, prevent or limit our ability to generate revenue and continue our business. Our ability to market Jeuveau ® is limited to use for the treatment of glabellar lines, and if we want to expand the indications for which we market Jeuveau ®, we will need to obtain additional regulatory approvals, which will be expensive and may not be granted. We have received regulatory approval for Jeuveau ® in the United States for the treatment of moderate to severe glabellar lines. The terms of that approval restrict our ability to market or advertise Jeuveau ® for other indications, which could limit ~~physician~~ **aesthetic practitioner** and consumer adoption. Under the U. S. Federal Food Drug and Cosmetic Act, we may generally only market Jeuveau ® for approved indications. Many of our competitors have received approval of multiple aesthetic and therapeutic indications for their neurotoxin products and may be able to market such products for use in a way we cannot. For example, we are aware that one of our competitors, ~~Allergan (now~~ AbbVie ~~)~~ , has obtained and plans to obtain additional indications for its neurotoxin product within medical aesthetics and, therefore, is able to market its product across a greater number of indications than Jeuveau ®. If

we are unable to obtain approval for indications in addition to our approval for glabellar lines, our marketing efforts for Jeuveau ® will be severely limited. As a result, we may not generate ~~physician~~ **aesthetic practitioner** and consumer demand or approval of Jeuveau ®. We rely on our digital technology and applications and our business and operations ~~would~~ **could** suffer in the event of ~~computer~~ **information** system failures or ~~breach~~ **a cybersecurity incident** . We are reliant on our digital technology, including our Evolus Practice App, which allows customers to open a new account, order Jeuveau ®, pay invoices and engage with our customer experience team and medical affairs representatives. In the event that our digital technology is unable to function in the manner it was designed or at all, we would experience difficulty processing customer orders and requests in a timely manner or at all which would have a material adverse effect on our business, results of operations and financial condition. The **information** systems underlying our digital technology may not be adequately designed or may not operate with the reliability and redundancy necessary to avoid performance delays or outages that could be harmful to our business. If our digital technology is unavailable when customers attempt to access them, or if they do not load as quickly as expected, users may not use our technology as often in the future, or at all, and our ability to sell ~~Jeuveau ®~~ **our products** through a more limited sales force may be disrupted and we may not realize the efficiencies of leveraging our digital technology, any of which could adversely affect our business and financial performance. As the number of users of our digital technology continues to grow we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our needs. It is possible that we may fail to continue to effectively scale and grow our technical infrastructure to accommodate these increased demands, which may adversely affect our customers' experience with our digital technology which may decrease our revenue and harm our results of operations. Despite the implementation of security measures, our internal computer systems, **including our information systems,** and those of third parties on which we rely, are vulnerable to disruption or damage from computer viruses, malware, natural disasters, terrorism, war, telecommunication and electrical failures, **cybersecurity incidents** ~~cyberattacks or cyber intrusions~~ , insider threats, persons who access our **information** systems in an unauthorized manner, or inadvertent misconfiguration of our systems. The risk of a security incident or system disruption, particularly through **cybersecurity incidents** ~~cyberattacks or cyber intrusions~~ , including by computer hackers, foreign governments and cybercriminals, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Interruptions in our operations caused by such an event could result in a material disruption of our current or future product development programs. The costs to us to mitigate network security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and while we have implemented security measures to protect our data security and information ~~technology~~ systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service, government files or penalties and other harm to our business and our competitive position. Interruptions in our operations caused by such an event could also result in a material disruption in our relationship with our customers. For example, if our Evolus Practice App were rendered inoperable, we would have to process orders by telephone or otherwise which may result in slower processing times and harm to our reputation. Moreover, a ~~computer security~~ **cybersecurity** incident that affects our **information** systems or results in the unauthorized access to financial information, personally identifiable information (PII), customer information or data, including credit card transaction data or other sensitive information, could materially damage our reputation. In addition, such a security incident may require notification to governmental agencies, the media or individuals pursuant to various international, federal and state privacy and security laws, including the General Data Protection Regulation (GDPR), the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Clinical Health Act of 2009, and its implementing rules and regulations, as well as regulations promulgated by the Federal Trade Commission and state breach notification laws. Additionally, the regulatory environment governing information, security and privacy laws is increasingly demanding and continues to evolve and a number of states have adopted laws and regulations that may affect our privacy and data security practices regarding the use, disclosure and protection of PII. For example, the California Consumer Privacy Act, among other things, has created new individual privacy rights and imposes increased obligations on companies handling PII. In the event of a security incident, we would also be exposed to the risk of litigation and potential liability, which could materially adversely affect our business, results of operations and financial condition. Our liability insurance may not be sufficient in type or amount to cover us against claims related to security breaches, ~~cyberattacks~~ **cybersecurity incidents** and other related security incidents. Jeuveau ® or any other product candidate for which we seek approval as a biologic may face competition sooner than anticipated. With the enactment of the Biologics Price Competition and Innovation Act of 2009, or the BPCI Act, as part of the Patient Protection and Affordable Care Act, an abbreviated pathway for the approval of biosimilar or interchangeable biological products was created. The abbreviated regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics. Under the BPCI Act, an application for a biosimilar product cannot be approved by the FDA until twelve years after the original branded product was approved under a Biologics License Application, or BLA. The law is complex and is still being interpreted and implemented by the FDA. For example, one company has filed a Citizen Petition requesting that the FDA not apply the BPCI Act to pre- enactment BLAs. As a result, its ultimate impact, implementation and meaning are subject to uncertainty. While it is uncertain when such processes intended to implement the BPCI Act may be fully adopted by the FDA, any such processes could have a material adverse effect on the future commercial prospects for our biological products. We believe that Jeuveau ® should qualify for the twelve- year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to congressional action or otherwise, or that the FDA will not consider any of our product candidates to be a reference product for competing products, potentially creating the opportunity for competition sooner than anticipated. Moreover, the extent to which a biosimilar product, once approved, will be substituted for any one of our reference products in a way that is similar to traditional generic substitution for non- biological products is not yet clear and will depend on a number of marketplace and regulatory factors that are still developing. If we are found to have improperly promoted off- label uses, or if ~~physicians~~ **customers** misuse our products or use our products off-

label, we may become subject to prohibitions on the sale or marketing of our products, significant fines, penalties, sanctions, or product liability claims, and our image and reputation within the industry and marketplace could be harmed. The FDA and other regulatory agencies strictly regulate the marketing and promotional claims that are made about pharmaceutical products, such as Jeuveau ®. In particular, a product may not be promoted for uses or indications that are not approved by the FDA or other similar regulatory authorities as reflected in the product' s approved labeling. ~~Physicians~~ **Customers** could use Jeuveau ® on their patients in a manner that is inconsistent with the approved label of the treatment of moderate to severe glabellar lines, potentially including for the treatment of other aesthetic or therapeutic indications. If we are found to have promoted such off- label uses, we may receive warning letters from and be subject to other enforcement actions by the FDA, the European Medicines Agency, or EMA, and other regulatory agencies, and become subject to significant liability, which would materially harm our business. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off- label promotion. If we become the target of such an investigation or prosecution based on our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. In addition, management' s attention could be diverted from our business operations, significant legal expenses could be incurred, and our reputation could be damaged. The FDA has also required that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed in order to resolve FDA enforcement actions. If we are deemed by the FDA to have engaged in the promotion of our products for off- label use, we could be subject to **the** FDA prohibitions or other restrictions on the sale or marketing of our products and other operations or significant fines and penalties, and the imposition of these sanctions could also affect our reputation and position within the industry. In addition, regulatory authorities outside the United States may impose similar fines, penalties or sanctions. ~~Physicians~~ **Customers** may also misuse Jeuveau ® or any future product ~~candidates~~ **we offer** or use improper techniques, potentially leading to adverse results, side effects or injury, which may lead to product liability claims. If Jeuveau ® or any future product candidates are misused or used with improper techniques or are determined to cause or contribute to consumer harm, we may become subject to costly litigation by our customers or their patients. Product liability claims could divert management' s attention from our core business, be expensive to defend, result in sizable damage awards against us that may not be covered by insurance and subject us to negative publicity resulting in reduced sales of our products. Furthermore, the use of Jeuveau ® or any future product candidates for indications other than those cleared by the FDA may not effectively treat such conditions, which could harm our reputation in the marketplace among ~~physicians~~ **customers** and consumers. Any of these events could harm our business and results of operations and cause our stock price to decline. **Our** ~~Jeuveau ® or any of our future product~~ **products** ~~candidates~~ may cause serious or undesirable side effects or possess other unexpected properties that could delay or prevent their regulatory approval, limit the commercial profile of approved labeling, result in post- approval regulatory action or in product liability lawsuits. Unforeseen side effects from Jeuveau ® ~~or~~ **, Evolysse ™,** ~~our~~ **or any product we may offer in the** future ~~product candidates~~ could arise either during clinical development or after marketing such product. Undesirable side effects caused by product candidates could cause us or regulatory authorities to interrupt, modify, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA, the EMA or similar regulatory authorities. Results of clinical trials could reveal a high and unacceptable severity and prevalence of side effects. In such an event, trials could be suspended or terminated and the FDA, the EMA or similar regulatory authorities could order us to cease further development of or deny approval of product candidates for any or all targeted indications. The drug **or device** - related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in product liability claims. Any of these occurrences may harm our business, financial condition, operating results and prospects. Additionally, if we or others identify undesirable side effects, or other previously unknown problems, caused by Jeuveau ®, or any of our future product candidates, after obtaining regulatory approval in the United States or other jurisdictions, a number of potentially negative consequences could result, including regulatory authorities withdrawing approval or limiting the marketing of our products, requiring a recall of the product, requiring additional warnings on our product labeling or medication guides or instituting Risk Evaluation and Mitigation Strategies, or REMS. In order to mitigate these risks, regulatory authorities may require additional costly clinical trials or costly post- marketing testing and surveillance to monitor the safety or efficacy of the product. As a result of any of these actions our sales of the product may decrease significantly, we may be required to expend material amounts to comply with any requirements of the regulatory authorities, we could be sued in a product liability lawsuit and held liable for harm caused to patients, and our brand and reputation may suffer. We face an inherent risk of product liability as a result of the commercialization of Jeuveau ® **, Evolysse ™,** and any of our future product candidates. For example, we may be sued if any product we develop allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted against us under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Even a successful defense would require significant financial and management resources and result in decreased demand for Jeuveau ® **, Evolysse ™,** or any future product candidates or products we may develop, termination of clinical trial sites or entire trial programs, injury to our reputation and significant negative media attention, withdrawal of clinical trial participants or cancellation of clinical trials and significant costs and diversion management' s time to defend the related litigation. Our inability to obtain and maintain sufficient product liability insurance at an acceptable cost and scope of coverage to protect against potential product liability claims could prevent or inhibit the commercialization of Jeuveau ® **, Evolysse ™,** or any future products that we develop. We currently carry product liability insurance covering our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our

insurance policies also have various exclusions and deductibles, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Moreover, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses. Any of the above events could prevent us from achieving or maintaining market acceptance of the affected product, negatively impact our revenues and could substantially increase the costs of commercializing our products. The demand for ~~Jeuveau ®~~ **our products** could also be negatively impacted by any adverse effects of a competitor' s product or treatment. Our failure to successfully in- license, acquire, develop and market additional product candidates or approved products would impair our ability to grow our business. Although most of our effort is focused on the commercialization of Jeuveau ®, a key element of our long- term strategy is to in- license, acquire, develop, market and commercialize a portfolio of products to serve the ~~self~~ **cash** - pay aesthetic market. Jeuveau ® is currently our sole **commercially available** product **and Evolysse ™ has not yet been approved for use by the FDA** . Our competitors are currently able to bundle multiple aesthetic products to provide a more comprehensive offering than we can as a single product company. Because our internal research and development capabilities are limited, we may be dependent upon pharmaceutical and other companies, academic scientists and other researchers to sell or license products or technology to us. The success of this strategy depends partly upon our ability to identify and select promising aesthetic product candidates and products, negotiate licensing or acquisition agreements with their current owners and finance these arrangements. The process of proposing, negotiating and implementing a license or acquisition of a product candidate or approved product is lengthy and complex. Other companies, including some with substantially greater financial, marketing, sales and other resources, may compete with us for the license or acquisition of product candidates and approved products. We have limited resources to identify and execute the acquisition or in- licensing of third- party products, businesses and technologies and integrate them into our current infrastructure. Moreover, we may devote resources to potential acquisitions or licensing opportunities that are never completed, or we may fail to realize the anticipated benefits of such efforts. We may not be able to acquire the rights to additional product candidates on terms that we find acceptable, or at all. Further, any product candidates that we acquire may require additional development efforts prior to commercial sale, including preclinical or clinical testing and approval by the FDA, the EMA and other similar regulatory authorities. All product candidates are prone to risks of failure during product development, including the possibility that a product candidate will not be shown to be sufficiently safe and effective for approval by regulatory authorities. In addition, any approved products that we acquire may not be manufactured or sold profitably or achieve market acceptance. We may need to increase the size of our organization, including our sales and marketing capabilities, in order to further market and sell Jeuveau ® and we may experience difficulties in managing this growth. As of December 31, ~~2022~~ **2023** , we had ~~215~~ **273** employees, all of whom were full- time employees. Our management and personnel, systems and facilities currently in place may not be adequate to support future growth. Our need to effectively execute our growth strategy requires that we identify, recruit, retain, incentivize and integrate any additional employees to effectively manage any future clinical trials, manage our internal development efforts effectively while carrying out our contractual obligations to third parties, and continue to improve our operational, financial and management controls, reporting systems and procedures. We face risks in building and managing a sales organization whether internally or by utilizing third parties, including our ability to retain and incentivize qualified individuals, provide adequate training to sales and marketing personnel, generate sufficient sales leads, effectively manage a geographically dispersed sales and marketing team, adequately provide complementary products to be offered by sales personnel, which may otherwise put us at a competitive disadvantage relative to companies with more extensive product lines, and handle any unforeseen costs and expenses. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact the commercialization of these products. Due to our limited financial resources and our limited experience in managing a company with such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The physical expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our development and strategic objectives or disrupt our operations. Our business may be materially adversely affected by the impact of **geopolitical tensions, including** the ongoing military conflict between Russia and Ukraine **and the conflict in the Middle East,** on the global economy and capital markets ~~and other geopolitical tensions may also adversely affect our business~~ . U. S. and global markets are experiencing volatility and disruption following the escalation of geopolitical tensions ~~and~~ **, including** the ongoing military conflict between Russia and Ukraine **and the ongoing conflict in the Middle East** . Although the length and impact of the ongoing military conflict **in Ukraine** is highly unpredictable, the conflict ~~in Ukraine~~ has led to market disruptions, including significant volatility in commodity prices, credit and capital markets, as well as supply chain interruptions, which could continue. **The ongoing conflict in the Middle East or other such geopolitical conflicts, particularly in the regions in which we operate or seek to expand, could have a similar impact.** Additionally, the ~~recent~~ military conflict in Ukraine has led to the imposition of sanctions and other penalties by the U. S., EU and other countries against Russia. Russian military actions and the resulting sanctions have adversely affected the global economy and financial markets and could lead to further instability and lack of liquidity in capital markets, which could make it more difficult for us to obtain additional funds at terms favorable to us, or at all. Although our business has not been materially impacted by the ongoing military ~~conflict~~ **conflicts** ~~between Russia and Ukraine~~ , it is impossible to predict the extent to which our operations, or those of our suppliers and manufacturers, will be impacted in the short and long term, or the ways in which the conflict may impact our business. The extent and duration of the military action, sanctions and resulting market disruptions are impossible to predict, but could be substantial. Our international operations will expose us to risks, and failure to manage these risks may adversely affect our operating results and financial condition. We currently have operations in the United States, Canada, and Europe ~~, having launched in Great Britain in the third quarter of 2022 and in Germany and Austria in~~

~~February 2023~~ . International operations are subject to a number of inherent risks, and our future results could be adversely affected by a number of factors, including differences in demand for our products due to local requirements or preferences, the difficulty of hiring and managing employees with cultural and geographic differences and the costs of complying with differing regulatory requirements. Additionally, we may experience difficulties and increased costs due to differences in laws related to enforcing contracts, protecting intellectual property, taxes, tariffs and export regulations. The current conflict between Ukraine and Russia may also impact European economies and consumer discretionary spending negatively **, and the conflict in the Middle East may have similar regional impacts** . We do not have significant international operations in Russia, Ukraine, **Israel, Palestine** or the surrounding regions that have been impacted by the ~~conflict~~ **conflicts** directly. Our international operations will also subject us to risks related to multiple, conflicting and changing laws and regulations such as privacy regulations, including the GDPR, tax laws, export and import restrictions, employment laws, immigration laws, labor laws, regulatory requirements and other governmental approvals, permits and licenses. Additionally, we will face heightened risk of unfair or corrupt business practices in certain geographies and of improper or fraudulent sales arrangements that may impact financial results and result in restatements of, or irregularities in, financial statements. These and other factors could harm our ability to gain future revenue and, consequently, materially impact our business, operating results and financial condition. Fluctuations in currency exchange rates may negatively affect our financial condition and results of operations. Exchange rate fluctuations may affect the costs that we incur in our operations. The main currencies to which we are exposed to such fluctuations are the British pound and the EU euro. The exchange rates between these currencies and the U. S. dollar in recent years have fluctuated significantly and may continue to do so in the future. A depreciation of these currencies against the U. S. dollar will decrease the U. S. dollar equivalent of the amounts derived from foreign operations reported in our consolidated financial statements, and an appreciation of these currencies will result in a corresponding increase in such amounts. The cost of certain items, such as raw materials, manufacturing, employee salaries and transportation and freight, required by our operations may be affected by changes in the value of the relevant currencies. To the extent that we are required to pay for goods or services in foreign currencies **, such as under our Symatese U. S. Agreement and Symatese Europe Agreement, which has payments denominated in Euros** , the appreciation of such currencies against the U. S. dollar will tend to negatively affect our business. There can be no assurance that foreign currency fluctuations will not have a material adverse effect on our business, financial condition and results of operations. If we fail to attract and keep senior management and key ~~scientific~~ personnel, we may be unable to market and sell Jeuveau ® successfully, or any future products we develop. Our success depends in part on our continued ability to attract, retain and motivate highly qualified management. We believe that our future success is highly dependent upon the contributions of our senior management, particularly David Moatazedi, our President, Chief Executive Officer and member of our ~~board~~ **Board** of ~~directors~~ **Directors** , Sandra Beaver, our Chief Financial Officer, ~~and~~ Rui Avelar, our Chief Medical Officer and Head of R & D **, and Tomoko Yamagishi- Dressler, our Chief Marketing Officer** , as well as other members of our senior management team. The loss of services of any of these individuals could delay or prevent the successful development of our product pipeline, completion of our planned clinical trials or the commercialization of Jeuveau ® **, Evolysse ™,** or any future products we develop. In addition, we could experience difficulties attracting and retaining qualified employees in the future. For example, competition for qualified personnel in the pharmaceuticals and medical aesthetic field is intense due to the limited number of individuals who possess the skills and experience required by our industry. We may not be able to attract and retain quality personnel on acceptable terms, or at all. In addition, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged proprietary or other confidential information or that their former employers own their research output. Our strategy of focusing exclusively on the ~~self~~ **cash** - pay healthcare market may limit our ability to increase sales or achieve profitability. Our strategy is to focus exclusively on the ~~self~~ **cash** - pay healthcare market. This focus may limit our ability to increase sales or achieve profitability. For example, to maintain our business model, we have chosen not to offer products or services available in the broader healthcare market that are reimbursed by third- party payors such as Medicare, Medicaid or commercial insurance. This eliminates our ability to offer a substantial number of products and indications for Jeuveau ® **or any future products, such as Evolysse ™** . For example, under the Daewoong Agreement our rights to market and sell Jeuveau ® are limited to cosmetic indications **and under the Symatese U. S. Agreement and Symatese Europe Agreement our rights are limited to aesthetic and dermatologic uses** . Daewoong has subsequently licensed the rights to the therapeutic indications **for Jeuveau ®** to a third party. As a result, we do not have the ability to expand the permitted uses of **our** ~~botulinum toxin~~ products for therapeutic indications. Jeuveau ® is the only U. S. neurotoxin without a therapeutic indication, although other companies may seek to develop a similar product in the future. We believe pursuing an aesthetic- only non- reimbursed product strategy allows for meaningful strategic advantages in the United States, including pricing and marketing flexibility. However, ~~physicians~~ **customers** may choose to not pass any cost benefits received by them due to such pricing flexibility to their patients. In addition, companies offering aesthetic products competitive to Jeuveau ®, whether they pursue an aesthetic- only non- reimbursed product strategy or not, may nonetheless try to compete with Jeuveau ® on price both directly through rebates, promotional programs and coupons and indirectly through attractive product bundling and customer loyalty programs. Our business, financial results and future prospects will be materially harmed if we cannot generate sufficient consumer demand for Jeuveau ®. Our business involves the use of hazardous materials, and we and our third- party manufacturer and supplier must comply with environmental laws and regulations, which can be expensive and restrict how we do business. Our research and development and manufacturing activities in the future may, and ~~Daewoong~~ **our licensors** ' ~~s~~ manufacturing and supplying activities presently do, involve the controlled storage, use and disposal of hazardous materials, including botulinum toxin type A, a key component of Jeuveau ®, and other hazardous compounds. We and ~~Daewoong~~ **our licensors** are subject to laws and regulations governing the use, manufacture, storage, handling and disposal of these hazardous materials. In some cases, these hazardous materials and various wastes resulting from their use are stored at ~~Daewoong~~ **our licensors** ' ~~s~~ facilities pending their use and

disposal. We and ~~Daewoong~~ **our licensors** cannot eliminate the risk of contamination, which could cause an interruption of ~~Daewoong~~ **any of our licensors** ' ~~s~~ manufacturing processes, our commercialization efforts, business operations and environmental damage resulting in costly clean- up and liabilities under applicable laws and regulations governing the use, manufacture, storage, handling and disposal of these materials and specified waste products. Although we believe that the safety procedures utilized by ~~Daewoong~~ **our licensors** for handling and disposing of these materials generally comply with the standards prescribed by these laws and regulations, this may not eliminate the risk of accidental contamination or injury from these materials. In such an event, we may be held liable for any resulting damages and such liability could exceed our resources, and state or federal or other applicable authorities may curtail our use of certain materials and interrupt our business operations. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We may use third- party collaborators to help us develop, validate or commercialize any new products, and our ability to commercialize such products could be impaired or delayed if these collaborations are unsuccessful. We may license or selectively pursue strategic collaborations for the development, validation and commercialization of Jeuveau ® **, Evolysse ™,** and any future product candidates ~~, such as the Collaboration Agreement entered into in June 2022~~ . In any third- party collaboration, we would be dependent upon the success of the collaborators in performing their responsibilities and their continued cooperation. Our collaborators may not cooperate with us or perform their obligations under our agreements with them. Our collaborators may choose to pursue alternative technologies in preference to those being developed in collaboration with us. The development, validation and commercialization of our product candidates will be delayed if collaborators fail to conduct their responsibilities in a timely manner or in accordance with applicable regulatory requirements or if they breach or terminate their collaboration agreements with us. Disputes with our collaborators could also impair our reputation or result in development delays, decreased revenues and litigation expenses. In addition, we may face significant competition in seeking appropriate collaborators. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator' s resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator' s evaluation of a number of factors. Those factors may include the design or results of clinical trials, the likelihood of approval by the FDA or similar regulatory authorities outside the United States, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to consumers, the potential of competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge and industry and market conditions generally. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us for our product candidate. Collaborations are complex and time- consuming to negotiate and document. We may not be able to negotiate collaborations on a timely basis, on acceptable terms, or at all. If we are unable to do so, we may have to curtail the development of such product candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we may not be able to further develop our product candidates or bring them to market and generate revenue. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. We have incurred substantial losses during our history and we may never achieve profitability. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any, until such unused losses expire. Under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an " ownership change, " generally defined as a greater than 50 % change (by value) in its equity ownership over a three- year period, the corporation' s ability to use its pre- change net operating loss carryforwards, or NOLs, and other pre- change tax attributes, such as research tax credits, to offset its post- change income may be limited. As of December 31, ~~2022~~ **2023** , we had $ ~~318~~ **317** . ~~8~~ **7** million of federal NOLs and $ ~~214~~ **227** . 3 million of state NOLs available to offset our future taxable income, if any. As of December 31, ~~2022~~ **2023** , we had federal research and development credit carryforwards of $ 2. 9 million. These federal and state NOLs and federal research and development tax credit carryforwards expire at various dates beginning in 2034. We may experience ownership changes in the future as a result of subsequent shifts in our stock ownership. As a result, if we earn net taxable income, our ability to use our pre- change NOLs to offset U. S. federal taxable income may be subject to limitations, which could potentially result in increased future tax liability to us. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. **Increases in interest rates would increase the cost of servicing our debt and could reduce our profitability and limit our cash available to fund our growth strategy.** The ~~planned discontinuation~~ **Pharmakon Term Loans have, and any additional debt we subsequently incur may have, a variable rate** of ~~LIBOR~~ **interest. Higher interest rates** could ~~have an adverse impact~~ **increase debt service requirements** on **our current variable rate indebtedness (even though the amount borrowed remains the same) and on any debt we subsequently incur, and could reduce funds available for** operations ~~. As of December 31~~ , ~~2022~~ **future business opportunities or other purposes and materially and adversely affect our profitability** , ~~we had $ 71~~ **cash flows and results of operations** . **On May** 9 ~~million of outstanding indebtedness that bears interest at~~ **, 2023, we and Pharmakon entered into the Third Amendment to the Loan Agreement. Among other changes, the Third Amendment implements the transition from** a ~~floating rate using~~ London Interbank Offered Rate (~~"~~ **"** LIBOR ~~"~~ **"**) **based** ~~as the applicable reference rate. LIBOR, the London interbank offered rate, is the~~ interest rate ~~benchmark used as a reference rate on our variable rate debt, including our Credit Facility. On March 5, 2021, LIBOR' s regulator, the Financial Conduct Authority and administrator, ICE Benchmark Administration, announced that the publication of one- week and two-~~ **to a** ~~- month USD LIBOR maturities and the non- USD~~

~~LIBOR maturities will cease immediately after December 31, 2021, with the publication of overnight, one-, three-, six-, and 12-month USD LIBOR ceasing immediately after June 30, 2023. On March 15, 2022, the Adjustable Interest Rate (LIBOR) Act (the " LIBOR ACT ") was signed into law. Under the LIBOR Act, the Board of Governors of the Federal Reserve System is directed to select the~~ Secured Overnight Financing Rate (" SOFR ") **based interest** ~~, published by the Federal Reserve Bank of New York, as the replacement~~ rate ~~for contracts that reference LIBOR as a benchmark rate and that do not contain either a specified replacement rate or a replacement mechanism after USD LIBOR ceases publication. In addition, recent New York state legislation effectively codified the use of SOFR as the alternative to LIBOR in the absence of another chosen replacement rate, which may affect contracts governed by New York state law~~ . SOFR is calculated differently from LIBOR and ~~the inherent differences between LIBOR and SOFR or any other alternative benchmark rate gives rise to many uncertainties, including the need to amend existing debt instruments and the need to choose alternative reference rates in new contracts. Furthermore, uncertainty regarding whether or when SOFR or other alternative reference rates will be widely accepted by lenders as the replacement for LIBOR may impact the liquidity of the SOFR loan market, and SOFR itself. Since~~ **since** the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in comparable benchmark or market rates ~~, and~~ **. It is possible that** SOFR over time may bear little or no relation to the historical actual or historical indicative data. It is possible that the volatility of and uncertainty around SOFR as a LIBOR replacement rate and the applicable credit adjustment would result in higher borrowing costs for us, and ~~would~~ **could** adversely affect our liquidity, financial condition, and earnings. The consequences of these developments with respect to LIBOR cannot be entirely predicted and span multiple future periods but could result in an increase in the cost of our variable rate debt which may negatively impact our financial results. Risks Related to Our Relationship with ~~Daewoong~~ **Our Licensors** We rely on the ~~license and supply agreement, the~~ Daewoong Agreement, ~~with Daewoong to provide us exclusive~~ **the Symatese U. S. Agreement and the Symatese Europe Agreement and any termination or loss of significant** rights **, including exclusivity, under these agreements would materially and adversely affect our business. Our ability** to ~~distribute~~ **exclusively commercialize** Jeuveau ® **and Evolysse ™ are completely dependent on** ~~in certain territories. Any termination or loss of significant rights, including exclusivity, under~~ the Daewoong Agreement **,** ~~would materially~~ and ~~adversely affect our~~ **the Symatese U. S. Agreement and Symatese Europe Agreement, respectively. Under each agreement we have numerous obligations, including minimum product purchases, milestone payments and commercialization and** development ~~or commercialization of Jeuveau ®. Pursuant to the Daewoong Agreement, as it has been amended from time to time, we have secured an exclusive license from Daewoong, a South Korean pharmaceutical manufacturer, to import, distribute, promote, market, develop, offer for sale and otherwise commercialize and exploit Jeuveau ® for aesthetic indications in the United States, EU, United Kingdom, members of the European Economic Area, Switzerland, Canada, Australia, certain members of the Commonwealth of Independent States, and South Africa, as well as co- exclusive distribution rights with Daewoong in Japan. The Daewoong Agreement imposes on us~~ obligations ~~relating to exclusivity, territorial rights, development, commercialization, funding, payment, diligence, sublicensing, intellectual property protection and other matters. We are obligated to conduct development activities, obtain regulatory approval of Jeuveau ® and obtain from Daewoong all of our product supply requirements for Jeuveau ®. In addition, under the Daewoong Agreement, we are required to submit our commercialization plan to a joint steering committee, or JSC, comprised of an equal number of development and commercial representatives from Daewoong and us, for review and input. Although the Daewoong Agreement provides us with final decision- making power regarding the marketing, promotion, sale and / or distribution of Jeuveau ®, any disagreement among the JSC would be referred to Daewoong' s and our respective senior management for resolution if the JSC is unable to reach a decision within thirty days, which may result in a delay in our ability to implement our commercialization plan or harm our working relationship with Daewoong. If we fail to achieve minimum annual purchase targets of Jeuveau ® under the Daewoong Agreement, Daewoong may, at its sole option, elect to convert the exclusive license to a non- exclusive license. In light of the COVID- 19 outbreak, any potential decline in consumer discretionary spending and the potential loss of our ability to discount the product to levels previously provided as a result of the Medytox Settlement Agreement, it may become more difficult for us to achieve the minimum annual purchase targets for Jeuveau ® which may result in the license being converted to a non- exclusive license. The initial term of the Daewoong Agreement will expire on September 30, 2023 in any of the aforementioned territories. The Daewoong Agreement will renew for unlimited additional three- year terms after the expiration of the initial term, only if we meet certain performance requirements during the initial term or preceding renewal term, as applicable. We or Daewoong may terminate the Daewoong Agreement if the other party breaches any of its duties or obligations and such breach continues without cure for ninety days, or thirty days in the case of a payment breach, or if we declare bankruptcy or assign our business for the benefit of creditors~~ . If we breach any material ~~obligations~~ **obligation** , ~~or~~ **our partners** ~~use the intellectual property licensed to us in an unauthorized manner, we~~ may ~~be required to pay damages to Daewoong and Daewoong may have the right to~~ terminate ~~our~~ **or decrease** ~~license. In addition, if any of the regulatory milestones or~~ **our rights** ~~other cash payments become due~~ under the ~~terms of~~ **agreements. If we were to lose rights under** the Daewoong Agreement, ~~we may not have sufficient funds available to meet our~~ **or** ~~obligations~~ **either of the Symatese Agreements** , ~~which~~ **we** would **experience** ~~allow Daewoong to terminate the Daewoong Agreement. Any termination or loss of rights, including exclusivity, under the Daewoong Agreement would materially and~~ **an immediate reduction** ~~adversely affect our ability to market and sell Jeuveau ®, which~~ in ~~turn would have a material adverse effect on~~ our **revenues and future** business **opportunities** ~~, operating results and prospects~~ . **We** ~~If we were to lose our rights under the Daewoong Agreement, we~~ believe it would be difficult ~~for us~~ to find an alternative supplier of **these products** ~~a botulinum toxin type A complex~~ . In addition, to the extent the alternative supplier has not secured regulatory approvals in a jurisdiction, we would have to expend significant resources to obtain regulatory approvals that may never be obtained or require several years to obtain, which could significantly delay commercialization. We may be unable to raise additional capital to fund our operations during this extended time on terms acceptable to us or at all. Additionally, if we

experience delays as a result of a dispute with ~~Daewoong,~~ **either of our partners** the demand for ~~Jeuveau ®~~ **our products** could be materially and adversely affected. We currently rely solely on Daewoong to manufacture Jeuveau ®, and **on Symatese to manufacture Evolysse ™ and** as such, any production or other problems with ~~Daewoong~~ **either licensor** could adversely affect us. We depend solely upon Daewoong for the manufacturing of Jeuveau ® **, and on Symatese to manufacture Evolysse ™** . Although alternative sources of supply may exist, the number of third- party suppliers with the necessary manufacturing and regulatory expertise and facilities is limited, and it could be expensive and take a significant amount of time to arrange for and qualify alternative suppliers, which could have a material adverse effect on our business. Suppliers of any new product candidate would be required to qualify under applicable regulatory requirements and would need to have sufficient rights under applicable intellectual property laws to the method of manufacturing the product candidate. Obtaining the necessary FDA approvals or other qualifications under applicable regulatory requirements and ensuring non- infringement of third- party intellectual property rights could result in a significant interruption of supply and could require the new manufacturer to bear significant additional costs which may be passed on to us. In addition, our reliance on Daewoong **and Symatese** entails additional risks, including reliance on ~~Daewoong~~ **our partners** for regulatory compliance and quality assurance, the possible breach of **either** the Daewoong Agreement by Daewoong **or the Symatese U. S. Agreement and Symatese Europe Agreement by Symatese** , and the possible termination or nonrenewal of **either** ~~the Daewoong Agreement~~ **agreement** at a time that is costly or inconvenient for us. Our failure, or the failure of ~~Daewoong~~ **our partners** , to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of ~~Jeuveau ®~~ **our products** . Our dependence on ~~Daewoong~~ **our partners** also subjects us to all of the risks related to ~~Daewoong~~ **our partner** ' s business, which are all generally beyond our control. ~~Daewoong~~ **Our partners** ' ~~s~~ ability to perform ~~its~~ **their** obligations under ~~the~~ **their** ~~Daewoong~~ **respective** ~~Agreement~~ **agreements** is dependent on **their** ~~Daewoong' s~~ operational and financial health, which could be negatively impacted by several factors, including changes in the economic, political and legislative conditions in ~~South Korea~~ **their home countries** and the broader region in general and the ability of ~~Daewoong~~ **our partners** to continue to successfully attract customers and compete in its market. ~~Furthermore, Daewoong' s recently constructed manufacturing facility is Daewoong' s only facility meeting FDA and EMA, current Good Manufacturing Requirements, or cGMPs. Daewoong' s lack of familiarity with, or inability to effectively operate, the facility and produce products of consistent quality, may harm our ability to compete in our market.~~ Additionally ~~, although we are ultimately responsible for ensuring compliance with regulatory requirements such as cGMPs~~ , we are dependent on ~~Daewoong~~ **our licensors** for day- to- day compliance with cGMP for production of **our** ~~drug substance and finished~~ products. Facilities used by ~~Daewoong~~ **our licensors** to produce the drug substance **, devices** and materials or finished products for commercial sale must pass inspection and be approved by the FDA and other relevant regulatory authorities. If the safety of ~~Jeuveau ®~~ **our products** is compromised due to a failure to adhere to applicable laws or for other reasons, we may not be able to successfully commercialize our product and we may be held liable for injuries sustained as a result. In addition, the manufacturing facilities of certain of our suppliers are located outside of the United States. This may give rise to difficulties in importing our product into the United States or other countries as a result of, among other things, regulatory agency approval requirements, taxes, tariffs, local import requirements such as import duties or inspections, incomplete or inaccurate import documentation or defective packaging. Any of these factors could adversely impact our ability to effectively market and sell ~~Jeuveau ®~~ **our products** . Any failure or refusal by ~~Daewoong~~ **our licensors** or any other third party to supply ~~Jeuveau ® or~~ **our** ~~any other product candidates or~~ products that we may develop could delay, prevent or impair our clinical development or commercialization efforts. Moreover, ~~Daewoong~~ **our licensors** developed the manufacturing process for **our products** ~~Jeuveau ® and manufactures Jeuveau ®~~ in ~~a recently constructed facility~~ **facilities** ~~located in South Korea~~ **outside the United States** . If ~~this~~ **these** ~~facility~~ **facilities** were to be damaged, destroyed or otherwise unable to operate or comply with regulatory requirements, whether due to earthquakes, fire, floods, hurricanes, storms, tornadoes, other natural disasters, public health emergencies **,** ~~(such as the COVID- 19 outbreak)~~ employee malfeasance, terrorist acts, power outages or otherwise, or if operations at the facility is disrupted for any other reason, such an event could jeopardize ~~Daewoong~~ **our licensors** ' ~~s~~ ability to manufacture ~~Jeuveau ®~~ **our products** as promptly as we or our customers expect or possibly at all. If ~~Daewoong is~~ **our licensors are** unable to manufacture ~~Jeuveau ®~~ **our products** within a timeframe that meets our and our customers' expectations, our business, prospects, financial results and reputation could be materially harmed. Any disaster recovery and business continuity plans that we and ~~Daewoong~~ **our licensors may** have in place or put in place may not be adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of our or ~~Daewoong~~ **our licensors** ' ~~s~~ lack of disaster recovery and business continuity plans, or the adequacy thereof, which could have a material adverse effect on our business. We forecast the demand for commercial quantities of our products, and if our forecasts are inaccurate, we may experience delays in shipments, increased inventory costs or inventory levels, and reduced cash flow. We purchase ~~Jeuveau ®~~ **our products** from **our licensors,** Daewoong **and, subject to regulatory approval, Symatese** . Pursuant to **our** ~~the Daewoong Agreement~~ **agreements with our licensors** , we **are obligated to** submit forecasts of anticipated product orders ~~to Daewoong~~ and may, from time to time, submit purchase orders on the basis of these forecasting requirements. ~~Our limited historical experience~~ **For a variety of reasons we** may not **be able** ~~provide us with enough data~~ to accurately predict future demand. In addition, we expect ~~Daewoong~~ **our licensors** to manufacture **our** ~~its own product~~ **products** ~~, Nabota, a botulinum toxin formulation, from this facility~~ for ~~sale in the South Korean market and~~ other markets in which we do not have exclusive rights. If our business significantly expands, our demand for commercial products would increase and ~~Daewoong~~ **our licensors** may be unable to meet our increased demand. In addition, our ~~product~~ **products** ~~will~~ have fixed future expiration dates. If we overestimate ~~requirements~~ **demand** for ~~Jeuveau ®~~ **our products** , we will have excess inventory, which may have to be disposed of if such inventory exceeds approved expiration dates, which would result in lost revenues and increase our expenses.

If we underestimate requirements for ~~Jeuveau ®~~ **our products**, we may have inadequate inventory, which could interrupt, delay or prevent delivery of our products to our customers. Any of these occurrences would negatively affect our financial performance. Risks Related to Intellectual Property Third- party claims of intellectual property infringement may prevent or delay our commercialization efforts and interrupt our supply of products. Our commercial success depends in part on our avoiding infringement of the proprietary rights of third parties. Competitors in the field of dermatology, medical aesthetic and neurotoxins have developed large portfolios of patents and patent applications in fields relating to our business. In particular, there are patents held by third parties that relate to the treatment with neurotoxin- based products for the indication we are currently marketing. There may also be patent applications that have been filed but not published that, when issued as patents, could be asserted against us. There is a substantial amount of litigation, both within and outside the United States, involving patent and other intellectual property rights in the technology, medical device and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions and inter- party reexamination proceedings before the U. S. Patent and Trademark Office, or USPTO. Numerous U. S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing Jeuveau ®. As the technology, medical device and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates may be subject to claims of infringement of the patent rights of third parties. Third parties may assert that we or any of our current or future licensors, including Daewoong, are employing their proprietary technology without authorization. There may be third- party patents or patent applications with claims to materials, methods of manufacture or methods for treatment related to the use or manufacture of Jeuveau ® or any future product candidates. Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that Jeuveau ® or any future product candidates may infringe. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. If any third- party patents were held by a court of competent jurisdiction to cover the manufacturing process of Jeuveau ® or any future product candidates, the holders of any such patents may be able to block our ability to commercialize such product candidate unless we obtain a license under the applicable patents or until such patents expire. Similarly, if any third- party patent were held by a court of competent jurisdiction to cover aspects of our methods of use, the holders of any such patent may be able to block our ability to develop and commercialize the applicable product candidate unless we obtain a license or until such patent expires. In either case, such a license may not be available on commercially reasonable terms or at all. In addition to claims of patent infringement, third parties may bring claims against us asserting misappropriation of proprietary technology or other information in the development, manufacture and commercialization of Jeuveau ® or any of our future product candidates. Defense of such a claim would require dedicated time and resources, which time and resources could otherwise be used by us toward the maintenance of our own intellectual property and the development and commercialization of Jeuveau ® and any of our future product candidates or by any of our current or future licensors for operational upkeep and manufacturing of our products. For example, prior to entering into the Medytox Settlement Agreement, we were a defendant in a lawsuit brought by Medytox in the Superior Court of the State of California, or the Medytox Litigation, and a respondent in an action filed by Allergan and Medytox in the U. S. International Trade Commission, each alleging, among other things, that Daewoong stole Medytox' s botulinum toxin bacterial strain, or the BTX strain, that Daewoong misappropriated certain trade secrets of Medytox, including the process used to manufacture Jeuveau ® (which Medytox claims is similar to its biopharmaceutical drug, Meditoxin) using the BTX strain, and that Daewoong thereby interfered with Medytox' s plan to license Meditoxin to us, or the Medytox Litigation. Each of the Medytox Litigation and the ITC Action diverted the attention of our senior management and were costly, in terms of legal costs and the ultimate payments and royalties to be paid under the Medytox Settlement Agreement. **Additionally, we are aware that multiple entrants into the dermal filler market have faced litigation related to allegations of intellectual property infringement and have either expended large amounts of money to defend these claims, attempted to invalidate a third- party' s intellectual property as a defense, or have entered into settlement and license agreements in order to commercialize their dermal filler products. As the importer of record and commercial distributor of Evolysse ™, we may be required to defend these cases, which may result in increased legal costs and royalty costs.** Parties making claims against us or any of our current or future licensors may request and obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our product candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement, we or any of our current or future licensors may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties which may not be commercially or more available, pay royalties or redesign our infringing products or manufacturing processes, which may be impossible or require substantial time and monetary expenditure. Furthermore, even in the absence of litigation, we may need to obtain licenses from third parties to advance our research, manufacture clinical trial supplies or allow commercialization of ~~Jeuveau ®~~ **our products** or any future product candidates. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. In that event, we would be unable to further develop and commercialize one or more of our product candidates, which could harm our business significantly. Similarly, third- party patents could exist that might be enforced against our products, resulting in either an injunction prohibiting our sales, or with respect to our sales, an obligation on our part to pay royalties and / or other forms of compensation to third parties. If we or any of our current or future licensors, including Daewoong **and Symatese**, are unable to maintain, obtain or protect intellectual property rights related to ~~Jeuveau ® or~~ **our** ~~any of our future product~~ **products** ~~candidates~~, we may not be able to compete effectively in our market. We and our current ~~licensor~~ **licensors**, Daewoong **and Symatese**, currently rely upon a combination of trademarks, trade secret protection, confidentiality agreements and proprietary know- how. Botulinum toxin cannot be patented, as it is produced by Clostridium botulinum, a gram- positive, rod- shaped, anaerobic, spore- forming, motile bacterium with the ability to produce the neurotoxin botulinum. Only the manufacturing process for

botulinum toxin can be patented, for which Daewoong has obtained a U. S. patent. Our trade secrets and other confidential proprietary information and those of our licensors could be disclosed or competitors could otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Further, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we or any of our current or future licensors may encounter significant problems in protecting and defending our or their intellectual property both in the United States and internationally. If we or any of our current or future licensors are unable to prevent material disclosure of the non- patented intellectual property related to ~~Jeuveau ®~~ **our products** to third parties, we may not be able to establish or maintain a competitive advantage in our market, which could adversely affect our business. In addition to the protection afforded by trademarks, confidentiality agreements and proprietary know- how, we may in the future rely upon in- licensed patents for any future product offerings. The strength of patents we may in- license in the technology and healthcare fields involves complex legal and scientific questions and can be uncertain. The patent applications that we may in- license may fail to result in issued patents with claims that cover any of our future product candidates in the United States or in other foreign countries, and the issued patents that we may in- license may be declared invalid or unenforceable. We are reliant on the ability of ~~Daewoong, as the licensor of~~ our ~~only product, and will be reliant on future~~ licensors ~~of any future product candidates~~, to maintain their intellectual property and protect their intellectual property against misappropriation, infringement or other violation. We may not have primary control over our future licensors' patent prosecution activities. Furthermore, we may not be allowed to comment on prosecution strategies, and patent applications may be abandoned by the patent owner without our knowledge or consent. With respect to patents that are issued to our licensors, or patents that may be issued on patent applications, third parties may challenge their validity, enforceability or scope, which may result in such patents being narrowed or invalidated. As a licensee, we are reliant on Daewoong **, Symatese,** and our future licensors to defend any third- party claims. Our licensors may not defend or prosecute such actions as vigorously or in the manner that we would have if entitled to do so, and we will be subject to any judgment or settlement resulting from such actions. Also, a third- party may challenge the validity of our in- licensing transactions. Furthermore, even if they are unchallenged, any of our future in- licensed patents and patent applications may not adequately protect the licensors or our intellectual property or prevent others from designing around their or our claims. We may become involved in lawsuits to protect or enforce our intellectual property or the patents and other intellectual property of our licensors, which could be expensive and time- consuming. Competitors may infringe our intellectual property, including any future patents we may acquire, or the patents and other intellectual property of our licensors, including Daewoong **or Symatese** . As a result, we or any of our current or future licensors may be required to file infringement claims to stop third- party infringement or unauthorized use. This can be expensive, particularly for a company of our size, and time-consuming. In addition, in an infringement proceeding, a court may decide that a patent of ours or any of our current or future licensors is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patent claims do not cover its technology or that the factors necessary to grant an injunction against an infringer are not satisfied. An adverse determination of any litigation or other proceedings could put one or more of such patents at risk of being invalidated or interpreted narrowly. Interference, derivation or other proceedings brought at the USPTO may be necessary to determine the priority or patentability of inventions with respect to any of our future patent applications or those of our licensors or collaborators. Litigation or USPTO proceedings brought by us or any of our current or future licensors may fail or may be invoked against us or our licensors by third parties. Even if we are successful, domestic or foreign litigation or USPTO or foreign patent office proceedings may result in substantial costs and distraction to our management or the management of any of our current or future licensors, including Daewoong **or Symatese** . We may not be able, alone or with any of our current or future licensors or collaborators, to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the United States. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or other proceedings, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation or proceedings. In addition, during the course of this kind of litigation or proceedings, there could be public announcements of the results of hearings, motions or other interim proceedings or developments or public access to related documents. If investors perceive these results to be negative, the market price for our common stock could be significantly harmed. Most of our competitors are larger than we are and have substantially greater resources. They are, therefore, likely to be able to sustain the costs of complex patent litigation longer than we could. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property. In addition, the uncertainties associated with litigation could compromise our ability to raise the funds necessary to continue our clinical trials, continue our internal research programs, or in- license needed technology or other product candidates. There could also be public announcements of the results of the hearing, motions, or other interim proceedings or developments. If securities analysts or investors perceive those results to be negative, it could cause the price of shares of our common stock to decline. We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States and in some cases may even force us to grant a compulsory license to competitors or other third parties. Consequently, we may not be able to prevent third parties from using our inventions in all countries outside the United States or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Many companies have

encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biopharmaceuticals, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. In addition, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in domestic and foreign intellectual property laws. If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed. In addition to seeking patents for our product candidates, we also rely on trade secrets, including unpatented know- how, technology and other proprietary information, to maintain our competitive position. We seek to protect our trade secrets, in part, by entering into non- disclosure and confidentiality agreements with parties who have access to them, such as our employees, collaborators, consultants, advisors and other third parties. We expect to enter into confidentiality and invention assignment agreements with our employees and consultants. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time- consuming, and the outcome is unpredictable. In addition, some courts within and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed. We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties. We employ individuals who were previously employed at other pharmaceutical or medical aesthetic companies. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of our employees' former employers or other third parties. We may also be subject to claims that former employers or other third parties have an ownership interest in our patents. Litigation may be necessary to defend against these claims. We may not be successful in defending these claims, and even if we are successful, litigation could result in substantial cost and be a distraction to our management and other employees. Any litigation or the threat thereof may adversely affect our ability to hire employees. A loss of key personnel or their work product could diminish or prevent our ability to commercialize product candidates, which could have an adverse effect on our business, results of operations and financial condition. We may need to license intellectual property from third parties, and such licenses may not be available or may not be available on commercially reasonable terms. A third party may hold intellectual property, including patent rights that are important or necessary to the development of **Evolysse ™ or** our future product candidates **including certain formulations and methods of production of these products** . It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our product candidates, in which case we would be required to obtain a license from these third parties on commercially reasonable terms, or our business could be harmed, possibly materially. If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively, and our business may be adversely affected. Third parties may assert that we are using trademarks or trade names that are confusingly similar to their marks. If any third party were able to establish that our trademarks or trade names were infringing their marks, that third party may be able to block our ability to use the infringing trademark or trade name. In addition, if a third party were to bring such a claim, we would be required to dedicate time and resources to fight the claim, which time and resources could otherwise be used toward the maintenance of our own intellectual property. Parties making claims against us may request and obtain injunctive or other equitable relief, which could prevent our ability to use the subject trademarks or trade names. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement. We may be required to re- brand one or more of our products, product candidates, or services offered under the infringing trademark or trade name, which may require substantial time and monetary expenditure. Third parties could claim senior rights in marks which might be enforced against our use of trademarks or trade names, resulting in either an injunction prohibiting our sales under those trademarks or trade names. Risks Related to Government Regulation Our business and products are subject to extensive government regulation. We are subject to extensive, complex, costly and evolving regulation by federal and state governmental authorities in the United States, the EU, Canada and other countries, principally by the FDA, the U. S. Drug Enforcement Administration, the Centers for Disease Control and Prevention, the EMA and other similar regulatory authorities. **Our partners** Daewoong ~~is~~ **and Symatese are** also subject to extensive regulation by the FDA and ~~the~~ **their** ~~South Korean~~ **own country' s** regulatory authorities as well as other regulatory authorities. Our failure to comply with all applicable regulatory requirements, or ~~Daewoong~~ **our partner** ' s failure to comply with applicable regulatory requirements, including those promulgated under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, and

the Controlled Substances Act, may subject us to operating restrictions and criminal prosecution, monetary penalties and other enforcement or administrative actions, including, sanctions, warnings, product seizures, recalls, fines, injunctions, suspension, revocation of approvals, or exclusion from future participation in the Medicare and Medicaid programs. Following regulatory approval, we, and our direct and indirect suppliers, including Daewoong **and Symatese**, remain subject to the periodic inspection of our plants and facilities, review of production processes, and testing of our products to confirm that we are in compliance with all applicable regulations. Adverse findings during regulatory inspections may result in requirements that we implement REMS programs, requirements that we complete government mandated clinical trials, and government enforcement actions including those relating to labeling, advertising, marketing and promotion, as well as regulations governing manufacturing controls. If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for our product candidates may be harmed and our ability to generate revenue will be materially impaired. We may not obtain regulatory approval for the commercialization of any future product candidates. The research, testing, manufacturing, labeling, approval, selling, import, export, marketing and distribution of drug and biologic products **, such as our neurotoxin product, and medical devices, such as our dermal filler product candidates,** are subject to extensive regulation by the FDA and other regulatory authorities in the United States and other countries, with regulations differing from country to country. If we, our products or the manufacturing facilities for our products fail to comply with applicable regulatory requirements, a regulatory agency may: • impose restrictions on the marketing or manufacturing of the product, suspend or withdraw product approvals or revoke necessary licenses; • issue warning letters, show cause notices or untitled letters describing alleged violations, which may be publicly available; • mandate modifications to promotional materials or require us to provide corrective information to ~~healthcare~~ **aesthetic** practitioners; • require us to enter into a consent decree, which can include imposition of various fines, reimbursements for inspection costs, required due dates for specific actions and penalties for noncompliance; • commence criminal investigations and prosecutions; • impose injunctions; • impose other civil or criminal penalties; • suspend any ongoing clinical trials; • delay or refuse to approve pending applications or supplements to approved applications filed by us; • refuse to permit drugs or active ingredients to be imported or exported; • suspend or impose restrictions on operations, including costly new manufacturing requirements; or • seize or detain products or require us to initiate a product recall. Any of the foregoing could materially harm our business and reputation. Prior to obtaining approval to commercialize a product candidate in the United States or abroad, we or our collaborators must demonstrate with substantial evidence from well- controlled clinical trials, and to the satisfaction of the FDA, the EMA or other similar foreign regulatory authorities, that such product candidates are safe and effective for their intended uses. Results from preclinical studies and clinical trials can be interpreted in different ways. Even if we and our collaborators believe the preclinical or clinical data for our product candidates are promising, such data may not be sufficient to support approval by the FDA, the EMA and other similar regulatory authorities. Administering product candidates to humans may produce undesirable side effects, which could interrupt, delay or halt clinical trials and result in the FDA, the EMA or other similar regulatory authorities delaying or denying approval of a product candidate for any or all targeted indications. Regulatory approval of a BLA or BLA supplement, **PMA,** marketing authorization application, or MAA, or other product approval is not guaranteed, and the approval process is expensive and may take several years. The FDA, the EMA and other regulatory authorities have substantial discretion in the approval process. Despite the time and expense expended, failure can occur at any stage, and we could encounter problems that cause us to abandon, modify or repeat clinical trials, or perform additional preclinical studies and clinical trials. The number of preclinical studies and clinical trials that will be required for the FDA, the EMA or other regulatory approval varies depending on the product candidate, the disease or condition that the product candidate is designed to address and the regulations applicable to any particular product candidate. The FDA, the EMA and other regulatory authorities can delay, limit or deny approval of a product candidate for many reasons, including the following: • a product candidate may not be deemed safe, effective, pure or potent; • the data from preclinical studies and clinical trials may not be deemed sufficient; • the FDA or other regulatory authorities might not approve our third- party manufacturers' processes or facilities; • deficiencies in the formulation, quality control, labeling, or specifications of a product candidate or in response to citizen petitions or similar documents filed in connection with the product candidate; • general requirements intended to address risks associated with a class of drugs, such as a new REMS requirement for neurotoxins **, dermal fillers or other aesthetic products**; • the enactment of new laws or promulgation of new regulations that change the approval requirements; or • the FDA or other regulatory authorities may change their approval policies or adopt new regulations. If any future product candidates fail to demonstrate safety and efficacy in clinical trials or do not gain approval, our business and results of operations will be materially and adversely harmed. We are subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense, limit or delay regulatory approval and subject us to penalties if we fail to comply with applicable regulatory requirements. Jeuveau ® **and, subject to regulatory approval, Evolysse ™** and any other approved products are subject to continual regulatory review by the FDA, the EMA and other similar regulatory authorities. Any regulatory approvals that we or our collaborators receive for any future product candidates may also be subject to limitations on the approved indications for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post- marketing testing, including Phase IV clinical trials, and surveillance to monitor the safety and efficacy of the product. In addition, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for Jeuveau ® and any other future product candidates **, such as Evolysse ™,** will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post- marketing information and reports, registration, as well as continued compliance with cGMP requirements and compliance with good clinical practice, or GCP, requirements, for any clinical trials that we conduct post- approval. Later discovery of previously unknown problems with Jeuveau ® or any future product candidates, including adverse events of unanticipated severity or frequency, or with our third- party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other

things: restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls; fines, warning letters or holds on clinical trials; refusal by the FDA, the EMA or other similar regulatory authorities to approve pending applications or supplements to approved applications filed by us or our strategic collaborators or suspension or revocation of product license approvals; product seizure or detention or refusal to permit the import or export of products; and injunctions or the imposition of civil or criminal penalties. Our ongoing regulatory requirements may also change from time to time, potentially harming or making costlier our commercialization efforts. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability, which would adversely affect our business. If we fail to obtain regulatory approvals in foreign jurisdictions for Jeuveau ® or any future product candidates, we will be unable to market our products outside of the United States. In addition to regulations in the United States, we are and will be subject to a variety of foreign regulations governing manufacturing, clinical trials, commercial sales and distribution of our future products. Whether or not we obtain FDA approval for a product candidate, we must obtain approval of the product by the comparable regulatory authorities of foreign countries before commencing clinical trials or marketing in those countries. The approval procedures vary among countries and can involve additional clinical testing, and the time required to obtain approval may differ from that required to obtain FDA approval. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries. Approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one or more foreign regulatory authorities does not ensure approval by regulatory authorities in other foreign countries or by the FDA. The foreign regulatory approval process may include all of the risks associated with obtaining FDA approval. We may not be able to file for regulatory approvals or to do so on a timely basis, and even if we do file, we may not receive necessary approvals to commercialize our products in markets outside of the United States. Jeuveau ® or any future products may cause or contribute to adverse medical events that we are required to report to regulatory agencies and if we fail to do so, we could be subject to sanctions that would materially harm our business. Some participants in our clinical trials have reported adverse events after being treated with Jeuveau ®. If we are successful in commercializing Jeuveau ® or any other product candidate, **including Evolysse ™,** the FDA and other regulatory agency regulations require that we report certain information about adverse medical events if those products may have caused or contributed to those adverse events. The timing of our obligation to report would be triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events that we become aware of within the prescribed timeframe. We may also fail to appreciate that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of our products. If we fail to comply with our reporting obligations, the FDA, the EMA or other similar regulatory authorities could take action including criminal prosecution, the imposition of civil monetary penalties, seizure of our products, or delay in approval or clearance of future products. We may in the future be subject to various U. S. federal and state laws pertaining to health care fraud and abuse, including anti- kickback, self- referral, false claims and fraud laws, and any violations by us of such laws could result in fines or other penalties. While we do not expect that Jeuveau ® **or Evolysse ™** will subject us to the various U. S. federal and most state laws intended to prevent health care fraud and abuse, we may in the future become subject to such laws. The Anti- Kickback Statute prohibits the offer, receipt, or payment of remuneration in exchange for or to induce the referral of patients or the use of products or services that would be paid for in whole or part by Medicare, Medicaid or other federal health care programs. Remuneration has been broadly defined to include anything of value, including cash, improper discounts, and free or reduced price items and services. Many states have similar laws that apply to their state health care programs as well as private payors. Violations of anti- kickback and other applicable laws can result in exclusion from federal health care programs and substantial civil and criminal penalties. The federal False Claims Act, or FCA, imposes liability on persons who, among other things, present or cause to be presented false or fraudulent claims for payment by a federal health care program. The FCA has been used to prosecute persons submitting claims for payment that are inaccurate or fraudulent, that are for services not provided as claimed, or for services that are not medically necessary. The FCA includes a whistleblower provision that allows individuals to bring actions on behalf of the federal government and share a portion of the recovery of successful claims. Some state law equivalents of the above federal laws, such as the Anti- Kickback Statute and FCA, apply to items or services regardless of whether the good or service was reimbursed by a government program, so called all- payor laws. These all- payor laws could apply to our sales and marketing activities even if the Anti- Kickback Statute and FCA laws are inapplicable. If our marketing or other arrangements were determined to violate anti- kickback or related laws, including the FCA or an all- payor law, then we could be subject to penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, the exclusion from participation in federal and state healthcare programs, individual imprisonment or the curtailment or restructuring of our operations, any of which could materially and adversely affect our ability to operate our business and our financial results. State and federal authorities have aggressively targeted pharmaceutical companies for alleged violations of these anti- fraud statutes, based on improper research or consulting contracts with doctors, certain marketing arrangements with pharmacies and other healthcare providers that rely on volume- based pricing, off- label marketing schemes, and other improper promotional practices. Companies targeted in such prosecutions have paid substantial fines, have been ordered to implement extensive corrective action plans, and have in many cases become subject to consent decrees severely restricting the manner in which they conduct their business, among other consequences. Additionally, federal and state regulators have brought criminal actions against individual employees responsible for alleged violations. If we become the target of such an investigation or prosecution based on our contractual relationships with providers or institutions, or our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. Also, the FCPA and similar worldwide anti- bribery laws generally prohibit companies and their intermediaries from making improper payments to non- U. S. officials for the purpose of obtaining or retaining business. Our internal control policies and procedures

may not protect us from reckless or negligent acts committed by our employees, future distributors, partners, collaborators or agents. Violations of these laws, or allegations of such violations, could result in fines, penalties or prosecution and have a negative impact on our business, results of operations and reputation. Legislative or regulatory healthcare reforms in the United States and other countries may make it more difficult and costly for us to obtain regulatory clearance or approval of any future product candidates and to produce, market, and distribute our products after clearance or approval is obtained. From time to time, legislation is drafted and introduced in the U. S. Congress or other countries that could significantly change the statutory provisions governing the regulatory clearance or approval, manufacture, and marketing of regulated products or the reimbursement thereof. In addition, regulations and guidance are often revised or reinterpreted by the FDA and other regulatory authorities in ways that may significantly affect our business and our products. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of any future product candidates. Such changes could, among other things, require changes to manufacturing or marketing methods, changes to product labeling or promotional materials, recall, replacement, or discontinuance of one or more of our products; and additional recordkeeping. Each of these would likely entail substantial time and cost and could materially harm our business and our financial results. In addition, delays in receipt of or failure to receive regulatory clearances or approvals for any future products would harm our business, financial condition and results of operations. Risks Related to Our Common Stock Medytox ~~, Alphacon 1, LLC~~ and Daewoong each own a significant portion of our common stock and may exert significant control over our business. We had ~~56, 260, 570~~ **57, 820, 621** shares of common stock issued and outstanding as of December 31, ~~2022~~ **2023** . As of December 31, ~~2022~~ **2023** , Medytox owned ~~13~~ **5** . ~~0~~ **8** % of our outstanding shares of common stock ~~, Alphacon 1, LLC owned 10. 8 % of our outstanding shares of common stock,~~ and Daewoong owned 5. ~~6~~ **4** % of our outstanding shares of common stock. This concentrated ownership position may provide **either** ~~any one~~ of Medytox ~~, Alphacon 1, LLC~~ or Daewoong with influence in determining the outcome of corporate actions requiring stockholder approval, including the election and removal of directors ~~. The significant stock ownership by Medytox, Alphacon 1, LLC and Daewoong may also discourage transactions involving a change- of- control of our company, including transactions in which you as a holder of our common stock might otherwise receive a premium for your shares~~ . Securities class action and derivative lawsuits have been filed against us and certain of our officers and directors, which could result in substantial costs and could divert management attention. As disclosed in Part I, Item 3 " Legal Proceedings, " we and certain of our officers have been named as defendants in a securities class action lawsuit and we are a nominal defendant in derivative lawsuits filed against certain of our officers and directors. We maintain director and officer' s insurance coverage and continue to engage in vigorous defense of such litigation. If we are not successful in our defense of such litigation, we could be forced to make significant payments to or other settlements with our stockholders and their lawyers outside of our insurance coverage, and such payments or settlement arrangements could have a material adverse effect on our business, operating results or financial condition. We may also be the target of this type of litigation in the future, as companies that have experienced volatility in the market price of their stock have been subject to securities act litigation. Even if the claims asserted in these lawsuits are not successful, the litigation could result in substantial costs and significant adverse impact on our reputation and divert management' s attention and resources, which could have a material adverse effect on our business, operating results or financial condition. The trading price of our common stock has been volatile, and purchasers of our common stock could incur substantial losses. Our stock price is volatile. For example, the closing price of our common stock during the year ended December 31, ~~2022~~ **2023** has ranged from a low of $ ~~5~~ **7** . ~~22~~ **15** to a high of $ ~~13~~ **11** . ~~94~~ **05** . The stock market in general and the market for earlier ~~-~~stage pharmaceutical and medical aesthetic companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The market price for our common stock may be influenced by many factors, some of which are beyond our control, including: • changes in financial estimates or guidance, including our ability to meet our future revenue and operating profit or loss estimates or guidance; • the public' s reaction to our earnings releases, other public announcements and filings with the SEC or those of companies that are perceived to be similar to us; • variations in our financial results or those of companies that are perceived to be similar to us; • any termination or loss of rights under the Daewoong Agreement **, the Symatese U. S. Agreement or the Symatese Europe Agreement; • adverse developments in the regulatory approval process for Evolysse ™** ; • the FDA or other U. S. or foreign regulatory or legal actions or changes affecting us or our industry; • adverse developments concerning our manufacturer or any future strategic partnerships; • adverse developments affecting our compliance with the Medytox Settlement Agreement; • adverse developments concerning litigation pending against us; • introductions and announcements of new technologies and products by us, any commercialization partners or our competitors, and the timing of these introductions and announcements; • success or failure of competitive products or medical aesthetic products generally; • announcements of results of clinical trials or regulatory approval or disapproval of product candidates; • unanticipated safety concerns related to the use of Jeuveau ® or any of our future products; • changes in the structure of healthcare payment systems; • announcements by us or our competitors of significant acquisitions, licenses, strategic partnerships, new product approvals and introductions, joint ventures or capital commitments; • overall financial market conditions for the pharmaceutical and biopharmaceutical sectors and issuance of securities analysts' reports or recommendations; • rumors and market speculation involving us or other companies in our industry; • short selling of our common stock or the publication of opinions regarding our business prospects in a manner that is designed to create negative market momentum; • sales of substantial amounts of our stock by Medytox **and** ~~, Alphacon 1, LLC,~~ Daewoong or other significant stockholders or our insiders, or the expectation that such sales might occur; • news reports relating to trends, concerns and other issues in medical aesthetics market or the pharmaceutical or biopharmaceutical industry; • operating and stock performance of other companies that investors deem comparable to us and overall performance of the equity markets; • additions or departures of key personnel, including our Chief Executive Officer, Chief Financial Officer, ~~and~~ Chief Medical **Officer and Chief Marketing** Officer; • intellectual property, product liability or other litigation against us, our manufacturer or other parties on which we rely or litigation against our general industry; •

changes in our capital structure, such as future issuances of securities and the incurrence of additional debt; • changes in accounting standards, policies, guidelines, interpretations or principles; • economic conditions in the markets in which we operate, including those related to COVID- 19 and **ongoing geopolitical** ~~the Russian- Ukrainian conflict~~ **conflicts** ; and • other factors described in this " Risk Factors " section. In addition, the stock market in general, and the market for pharmaceutical, biotechnology and medical aesthetics companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may affect the market price of our common stock, regardless of our actual operating performance. In the past, following periods of volatility in the overall market and the market prices of a particular company' s securities, securities class action litigation has often been instituted against that company. We may become the target of this type of litigation in the future. Securities litigation, if instituted against us, could result in substantial costs and divert our management' s attention and resources from our business. Future sales of our common stock by us, Medytox, ~~Alphacon 1, LLC,~~ Daewoong or others, or the perception that such sales may occur, could depress the market price of our common stock. Sales by us of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could significantly reduce the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. Additionally, as discussed above, ~~each~~ **both** of Medytox ~~, Alphacon 1, LLC~~ and Daewoong ~~owns~~ - **own** a significant portion of our outstanding shares of common stock. Subject to the restrictions described in the paragraph below, future sales of these shares in the public market will be subject to certain contractual limitations in the case of shares of our common stock owned by Medytox and the volume and other restrictions of Rule 144 under the Securities Act for so long as Medytox ~~, Alphacon 1, LLC~~ or Daewoong are deemed to be our affiliate, unless the shares to be sold are registered with the SEC. Additionally, the shares of common stock held by Medytox are subject to contractual restrictions on transfer that, subject to certain limited exceptions such as transfers to affiliates prohibit Medytox from transferring ~~more than 25 % of the shares it holds prior to September 16, 2023,~~ more than 50 % of the shares it holds prior to September 16, 2024 and more than 75 % of the shares it holds prior to September 16, 2025, with such contractual restrictions terminating on September 16, 2025. The sale by Medytox ~~, Alphacon 1, LLC~~ or Daewoong of a substantial number of shares of our common stock, or a perception that such sales could occur, could significantly reduce the market price ~~of our common stock. For example, in September 2021, Alphacon 1, LLC sold 2, 597, 475 shares~~ of our common stock. We have filed a registration statement with the SEC covering shares of our common stock available for future issuance under our 2017 Omnibus **Incentive Plan and 2023 Inducement** Incentive Plan and may file future registration statements covering shares of our common stock for future issuance under any future plans. Upon effectiveness of such registration statements, any shares subsequently issued under such plans will be eligible for sale in the public market, except to the extent that they are restricted by the contractual arrangements discussed above and subject to compliance with Rule 144 in the case of our affiliates. Sales of a large number of the shares issued under these plans in the public market, or a perception that such sales could occur, could significantly reduce the market price of our common stock. Anti- takeover provisions in our certificate of incorporation and bylaws, as well as Delaware law, could discourage a takeover. Our certificate of incorporation, bylaws and Delaware law contain provisions that might enable our management to resist a takeover and might make it more difficult for an investor to acquire a substantial block of our common stock. These include the following provisions: • permit our ~~board~~ **Board** of ~~directors~~ **Directors** to issue shares of preferred stock, with any rights, preferences and privileges as they may designate, without stockholder approval, which could be used to dilute the ownership of a hostile bidder significantly; • provide that the authorized number of directors may be changed only by resolution of our ~~board~~ **Board** of ~~directors~~ **Directors** and that a director may only be removed for cause by the affirmative vote of the holders of at least 66 2 / 3 % of our voting stock; • provide that all vacancies, including newly created directorships, may, except as otherwise required by law, be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum; • divide our ~~board~~ **Board** of ~~directors~~ **Directors** into three classes, with each class serving staggered three- year terms, which may delay the ability of stockholders to change the membership of a majority of our ~~board~~ **Board** of ~~directors~~ **Directors** ; • require that any action to be taken by our stockholders must be effected at a duly called annual or special meeting of stockholders and not be taken by written consent; • provide that stockholders seeking to present proposals before a meeting of stockholders or to nominate candidates for election as directors at a meeting of stockholders must provide notice in writing in a timely manner and also specify requirements as to the form and content of a stockholder' s notice, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror' s own slate of directors or otherwise attempting to obtain control of our company; • prohibit cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; and • provide that special meetings of our stockholders may be called only by the chairman of the ~~board~~ **Board of Directors** , our Chief Executive Officer or by our ~~board~~ **Board** of ~~directors~~ **Directors** pursuant to a resolution adopted by a majority of the total number of authorized directors, which may delay the ability of our stockholders to force consideration by our company of a take- over proposal or to take certain corporate actions, including the removal of directors. These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our ~~board~~ **Board** of ~~directors~~ **Directors** , which is responsible for appointing the members of our management. In addition, we are subject to Section 203 of the General Corporation Law of the State of Delaware, or the DGCL, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with an interested stockholder who owns in excess of 15 % of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15 % of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. This provision could have the effect of delaying or preventing a change- of- control, whether or not it is desired by or beneficial to our stockholders. Further, other provisions of Delaware law may also discourage, delay or prevent someone from acquiring us or merging with us. Our certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of

actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents. Our certificate of incorporation provides that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for all " internal corporate claims. " " Internal corporate claims " are claims that are based upon a violation of a duty by a current or former director, officer or stockholder in such capacity, or as to which Title 8 of the DGCL confers jurisdiction upon the Court of Chancery of the State of Delaware, or the Court of Chancery, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants and the claim not being one which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. For example, this choice of forum provision would not apply to claims brought pursuant to the Exchange Act or the Securities Act of 1933, as amended, or any other claim for which the federal courts have exclusive jurisdiction. Any person purchasing or otherwise acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision of our certificate of incorporation. The choice of forum provision in our certificate of incorporation will not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules and regulations. This choice of forum provision may limit our stockholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and our directors, officers, employees and agents even though an action, if successful, might benefit our stockholders. Stockholders who do bring a claim in the Court of Chancery could face additional litigation costs in pursuing any such claim, particularly if they do not reside in or near Delaware. The Court of Chancery may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments or results may be more favorable to us than to our stockholders. Alternatively, if a court were to find this provision of our certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could have a material adverse effect on our business, financial condition or results of operations. Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third- party claims against us and may reduce the amount of money available to us. Our certificate of incorporation and bylaws provide that we can indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. Separate indemnity agreements have been issued with each director and executive officer. In addition, as permitted by Section 145 of the DGCL, our bylaws and our indemnification agreements that we have entered into with our directors and officers, among other things provide that: • We have indemnified our directors and officers for serving us in those capacities, or for serving as a director, officer, employee or agent of other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that we may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to our best interest and, with respect to any criminal proceeding, had no reasonable cause to believe such person' s conduct was unlawful. • We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law. • We will be required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification. • The rights conferred in our bylaws will not be exclusive. We may not retroactively amend our bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents. As a result, claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third- party claims against us and may reduce the amount of money available to us. ~~We are an " emerging growth company, " and the reduced reporting requirements available to emerging growth companies could make our common stock less attractive to investors. We qualify as an " emerging growth company, " as defined in the JOBS Act. For as long as we remain an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies. These provisions include, but are not limited to: • being permitted to have only two years of audited financial statements and only two years of related selected financial data and management' s discussion and analysis of financial condition and results of operations disclosure; • an exemption from compliance with the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes- Oxley Act; • reduced disclosure about executive compensation arrangements in our periodic reports, registration statements and proxy statements; and • exemptions from the requirements to seek non- binding advisory votes on executive compensation or golden parachute arrangements. To the extent we take advantage of any of these exemptions, the information that we provide stockholders may be different than what is available with respect to other public companies. Investors may find our common stock less attractive because we will rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. Even after we no longer qualify as an emerging growth company, we may still qualify as a " smaller reporting company " which would allow us to take advantage of many of the same exemptions from disclosure requirements, including exemption from compliance with the auditor attestation requirements of Section 404 (b) as long as we do not otherwise also qualify as an " accelerated filer " or " large accelerated filer " for SEC reporting purposes and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. Investors could find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our trading price may be more volatile.~~ General Risk Factors Our business could be negatively affected as a result of actions of activist stockholders, and such activism could impact the trading value of our securities. Stockholders may, from time to time, engage in proxy solicitations or advance stockholder proposals, or otherwise attempt to effect changes and assert influence on our ~~board~~ **Board** of ~~directors~~ **Directors** and management. Activist campaigns that contest or conflict with our strategic direction

or seek changes in the composition of our ~~board~~ **Board** of ~~directors~~ **Directors** could have an adverse effect on our operating results and financial condition. A proxy contest would require us to incur significant legal and advisory fees, proxy solicitation expenses and administrative and associated costs and require significant time and attention by our ~~board~~ **Board** of ~~directors~~ **Directors** and management, diverting their attention from the pursuit of our business strategy. Any perceived uncertainties as to our future direction and control, our ability to execute on our strategy, or changes to the composition of our ~~board~~ **Board** of ~~directors~~ **Directors** or senior management team arising from a proxy contest could lead to the perception of a change in the direction of our business or instability which may result in the loss of potential business opportunities, make it more difficult to pursue our strategic initiatives, or limit our ability to attract and retain qualified personnel and business partners, any of which could adversely affect our business and operating results. If individuals are ultimately elected to our ~~board~~ **Board** of ~~directors~~ **Directors** with a specific agenda, it may adversely affect our ability to effectively implement our business strategy and create additional value for our stockholders. We may choose to initiate, or may become subject to, litigation as a result of the proxy contest or matters arising from the proxy contest, which would serve as a further distraction to our ~~board~~ **Board** of ~~directors~~ **Directors** and management and would require us to incur significant additional costs. In addition, actions such as those described above could cause significant fluctuations in our stock price based upon temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business. If securities or industry analysts publish unfavorable research about our business or decrease the frequency or cease to provide coverage of our company, our stock price and trading volume could decline. The trading market for our common stock depends in part on the research and reports that equity research analysts publish about us and our business. If one or more of the equity research analysts who cover us downgrades our common stock or issues other unfavorable commentary or research the price of our common stock may decline. If one or more equity research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our common stock could decrease, which in turn could cause the trading price or trading volume of our common stock to decline. We have not paid dividends in the past and do not expect to pay dividends in the future, and any return on investment may be limited to the value of our stock. We have never paid cash dividends on our common stock and do not anticipate paying cash dividends on our common stock in the foreseeable future, and the payment of dividends is also restricted under our credit facility. The payment of dividends on our common stock will depend on our earnings, financial condition and other business and economic factors affecting us at such time as our ~~board~~ **Board** of ~~directors~~ **Directors** may consider relevant. If we do not pay dividends, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future. The requirements of being a public company may strain our resources, divert management' s attention and affect our ability to attract and retain executive management and qualified ~~board~~ **Board** members. As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act, the Nasdaq Marketplace Rules and other applicable securities rules and regulations. Complying with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time- consuming or costly and increase demand on our systems and resources, particularly after we are no longer an " emerging growth company, " as defined in the JOBS Act. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management' s attention may be diverted from other business concerns, which could adversely affect our business and operating results. We may need to hire more employees in the future or engage outside consultants to assist us in complying with these requirements, which will increase our costs and expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased selling, general and administrative expenses and a diversion of our management' s time and attention from revenue- generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be adversely affected.