

## Risk Factors Comparison 2025-03-07 to 2024-03-13 Form: 10-K

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We are an early-stage company with a history of significant losses, **we** expect to incur losses in the future, and we may not be able to achieve or sustain profitability, which may make it difficult to evaluate the success of our business to date and to assess the prospects for our future viability; • We are highly dependent on **revenue from** the success of our three ~~the current commercial sales of our~~ products, particularly our OMNI® Surgical System (“OMNI”) and our inability to successfully execute our growth strategy could negatively affect our results of operations and financial condition ~~Procedures associated with our OMNI system recently experienced coverage and reimbursement uncertainties. Our SION® Surgical Instrument (“SION”) underwent its initial commercial launch in the second half of 2022, and is in the early stages of customer awareness, acceptance and utilization. The successful widespread adoption of our TearCare® System (“TearCare”) depends on our ability to drive equitable payor coverage and reimbursement to drive customer acceptance and widespread adoption;~~ • Our business is dependent upon the broad adoption **and continued use** of our products by eyecare professionals and patients; • We may not be able to ~~incrementally~~ secure or maintain adequate levels of third-party coverage and reimbursement for procedures in which our Surgical Glaucoma or Dry Eye products are used, and third parties may rescind or modify their coverage or delay payments related to these products, which **will** ~~would~~ adversely affect our business, financial condition, and results of operations; • The market for our products is highly competitive **and could grow increasingly competitive as new glaucoma and dry eye technologies are introduced in our industry**. Our competitors may have longer operating histories, more established products and **distribution networks, lower product prices or** greater resources than we do, and may be able to develop or market treatments that are safer, more effective or gain greater acceptance in the marketplace than our products; • Adoption of our products depends upon appropriate physician training, practice and patient selection; • Development of our products for expanded indications depends upon positive clinical data, and **applicable regulatory authorities may determine that** the safety and efficacy of our products for the intended uses for which we intend to seek clearance, certification or approval are not yet supported by **sufficient** long-term clinical data ~~which~~. **Any such determinations** could delay or prevent clearance by the FDA (or other foreign authorities or notified bodies) or limit sales ~~if cleared, certified or approved~~ and our products might ~~therefore~~ prove to be less safe or effective than initially thought; • We rely on third parties to manufacture and supply our products ~~many~~. **A number** of which **these suppliers** are single-source providers, and **we** ~~we~~ **certain key suppliers are located outside of the U. S., We** are subject to numerous risks relating to our reliance on **such** third parties; • Uncertainty in current global economic and political conditions could adversely affect our ability to predict product demand and **costs and** impact our financial results, and makes it more likely that our ~~actual~~ results ~~could~~ **will** differ materially from expectations; • ~~The safety~~ **We may provide inadequate training, fail to maintain effective sales and marketing capabilities** efficacy of some of our ~~or~~ products is not yet supported by long ~~fail to develop broad brand awareness in a cost~~ -term clinical data, which could limit sales, and our products might therefore prove to be less safe or effective **manner** than initially thought; • We have limited experience in training **ECPs** on, and marketing and selling, our **TearCare** products and ~~we may provide inadequate training, fail to increase our sales~~ **which could adversely affect customer perceptions** and ~~marketing capabilities~~ **adoption of our TearCare products** fail to develop broad brand awareness in a ~~cost~~ -effective manner; • Our products are designed to be used in a limited number of procedures, and there is a limited total addressable market for our products. The sizes of the potential and actual markets for our current products have not been established with precision and may be smaller than we estimate, **which could adversely impact our results of operations and our growth expectations**; • **Our results of operations could be materially harmed if we are unable to accurately forecast customer demand for our products and manage our inventory;** • **Our long-term growth depends on our ability to continue to capture market share, enhance our products, maintain appropriate product reimbursement, expand our indications and develop and commercialize additional products in a timely manner. If we fail to identify, acquire and develop other products, we may be unable to grow our business.** • **Security breaches, loss of data and other disruptions could compromise sensitive information related to our business or our customer’s patients or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.** • **Our international operations expose us to market, legal, regulatory, political, operational, financial and economic risks associated with doing business outside of the United States.** • Our success will depend on our, and ~~any of our future~~ licensors’, ability to obtain, maintain and protect our intellectual property rights; • **We have been party to, and may in the future become a party to, intellectual property litigation or administrative proceedings that could be costly, time-consuming, unsuccessful, and could interfere with our ability to sell and market our products**; • Our products, business practices, and operations are subject to extensive government regulation and oversight in the United States and elsewhere; • We may not receive, or may be delayed in receiving, ~~the~~ necessary clearances, certifications or approvals for our future products or modifications to our current products, and failure to timely obtain ~~necessary~~ **and retain such** clearances, certifications or approvals ~~for our future products or modifications to our current products~~ would adversely affect our ability to grow our business; • The price of our common stock may fluctuate substantially or may decline regardless of our operating performance and you could lose all or part of your investment; **and** • If we fail to maintain effective internal control over financial reporting and effective disclosure controls and procedures, we may not be able to accurately report our financial results in a timely manner or prevent fraud, which may adversely affect investor confidence in our company. PART I Item 1. Business Overview Our mission is to develop transformative, interventional technologies that allow eyecare providers to procedurally elevate the standards of care – empowering people to keep seeing. We

are passionate about improving patients' lives by helping them to preserve their sight. Our business philosophy is grounded in the following principles: comprehensively understanding disease physiology; developing transformative technologies that are intended to preserve, protect, and restore natural physiological functionality to diseased eyes; developing and marketing products with proven clinical evidence that achieve superior effectiveness versus current treatment paradigms while minimizing complications or side effects; providing intuitive, patient-friendly, interventional solutions to ophthalmologists and optometrists (together, "eyecare professionals" or "ECPs"); and delivering compelling economic value to all stakeholders, including patients, providers and third-party payors such as Medicare and commercial insurers. Our objective is to develop and market products for use in new treatment paradigms and to create an interventional mindset in eyecare whereby our technologies may be used in procedures which supplant conventional outdated approaches. We have focused our initial product development efforts on the treatment of two of the world's most prevalent and underserved eye diseases, glaucoma and dry eye disease ("DED"). We estimate the annual addressable U. S. market opportunities for the products in our surgical glaucoma ("Surgical Glaucoma") and dry eye ("Dry Eye") segments are approximately \$ 6. 0 billion (with approximately \$ 1. 0 billion in the combination cataract procedure segment, and \$ 5. 0 billion in the standalone procedure segment) and \$ 2. 5 billion, respectively. **The combination cataract procedure market segment (the "Combination Cataract Market Segment"), and \$ 5. 0 billion in the standalone procedure market segment (the "Standalone Market Segment") and \$ 3. 0 billion, respectively. The Combination Cataract Market Segment** is associated with procedures performed on patients with glaucoma in combination with a cataract procedure ("Combination Cataract Procedures"). The **standalone procedure market segment (the "Standalone Market Segment")** is associated with procedures performed on patients with glaucoma **without concomitant** not in combination with a cataract **surgery ("Standalone procedure Procedures")**, thus coming to the operating room solely due to their glaucoma condition ("Standalone Procedures"). **We have taken a deeper look at the care continuum in the evolving microinvasive glaucoma surgery ("MIGS") landscape and narrowed the specific patient population for whom Standalone Procedures have a compelling value proposition due to the comprehensive nature of the procedure and its ability to address all three areas of resistance in the drainage pathway. The pseudophakic standalone patient segment consists of patients three or more years out from prior cataract surgery, who may have had a MIGS procedure at the time of cataract surgery, but whose intraocular pressure ("IOP") is not well controlled on two or more medications. These later-stage patients are at risk of disease progression and most are on their way to an invasive and complicated procedure, such as a trabeculectomy or a shunt. However, we believe that standalone intervention can be effectively utilized for these patients, thus potentially delaying or avoiding the need for these riskier advanced procedures, improving patient care.** Glaucoma, which refers to a group of chronic, often asymptomatic, diseases that damage the optic nerve, is the world's **first** leading cause of irreversible blindness. Glaucoma does not have a cure and is a progressive disease; if left untreated or insufficiently treated, glaucoma can lead to irreversible disability and blindness. An estimated 126 million people worldwide suffer from glaucoma. Primary open-angle glaucoma ("POAG") is the most prevalent form of glaucoma and affects **over 80 almost 83** million people worldwide, including approximately **4. 3** million people in the United States **diagnosed with glaucoma**, of **which a majority** whom an estimated 3. 4 million have **POAG** been diagnosed. One of the greatest risk factors for POAG, and the only risk factor that can be controlled, is elevated **intraocular pressure ("IOP")**. Elevated IOP is often caused by malfunctioning drainage pathways in the eye that provide abnormal resistance to the outflow of aqueous humor, **which is** a clear, watery fluid that bathes and nourishes the lens and maintains pressure within the eye. **Microinvasive glaucoma surgery ("MIGS")** procedures, which can be used to treat patients with glaucoma, have a strong demonstrated safety profile, characterized by minimal trauma to the eye and quick patient recovery times. We currently offer two commercial technologies in our Surgical Glaucoma segment, OMNI and SION, both of which enable MIGS procedures. OMNI is a handheld, single use, therapeutic technology that enables ophthalmic surgeons to perform a comprehensive procedure to reduce IOP in adult **glaucoma** patients **with POAG**. SION is a bladeless, manually operated device used in ophthalmic surgical procedures to excise trabecular meshwork, which is the tissue located near the cornea through which aqueous humor flows out of the eye. Our goal is to establish OMNI and SION as **the** standards of care for our customers and patients, **by** continuing to grow their adoption and utilization in the existing Combination Cataract Market Segment, which we believe remains underpenetrated **and estimate is capturing less than one-third of its current potential procedural volume**. In addition, we believe training ophthalmic surgeons to use OMNI will help us to expand the Standalone **Market** Segment (which we currently estimate at over 85 % of the potential U. S. POAG market). We believe the consistent therapeutic outcomes OMNI delivers are important for patients and surgeons alike, especially those considering a standalone MIGS procedure. We primarily sell OMNI and SION in the U. S. through our dedicated Surgical Glaucoma sales team. Our commercial strategy for OMNI centers on building confidence and conviction among the glaucoma community **in OMNI** through continued execution of our clinical trials and publication of their results in peer-reviewed journals **demonstrating the safety and efficacy of OMNI**. Coverage is available for the procedure enabled by OMNI, canaloplasty followed by trabeculectomy (ab interno), in all Medicare Administrative Contractor ("MAC") jurisdictions and under numerous private insurers plans, **covering an estimated 74 % of medical benefit covered lives in the U. S.** With advantages that have been observed to achieve safe, effective and highly consistent clinical outcomes, we believe **that** OMNI has the potential to benefit patients by establishing a more proactive, interventional paradigm for IOP reduction in POAG. Our Surgical Glaucoma segment, which includes OMNI and SION, represented **92-95 %** of our total **revenues - revenue** for the year ended December 31, **2023-2024**. We have established direct commercial operations in the United States, United Kingdom, and Germany, and sell OMNI in other countries in Europe through distributors. Dry eye disease is caused by aqueous deficiency or evaporative dry eye and is a subset of ocular surface disease. The primary cause of evaporative DED is meibomian gland disease ("MGD"), a disease characterized by low quality tears that evaporate prematurely. Dry eye complaints are the most common reason for a patient visit to an eye doctor. Yet, of the estimated 39 million people with DED signs and symptoms in the U. S., only an estimated **18**

19.4 million have been diagnosed with DED. Dry eye symptoms have a significant impact on the quality of life and productivity of patients suffering from DED. If left untreated, DED can be extremely painful, often leading to permanent cornea damage and vision impairment. Studies have shown that evaporative DED resulting from MGD is associated with up to 86 % of all DED cases. Approximately 49-50 % of DED patients are considered moderate to severe. In healthy eyes, there are 25 to 30 meibomian glands located within each of the upper and lower eyelids. These glands produce and secrete an oily substance called meibum which forms the outer layer of healthy tears known as the lipid layer. Meibum normally has an olive oil- like consistency and contributes a vital element of the tear film that prevents premature tear evaporation. In patients with MGD, meibum hardens within the glands causing obstructions that can partially or completely block the oily secretions from reaching the tear film. The resulting compromised outer surface of the tear leads to accelerated tear evaporation and DED. Third- party clinical studies have demonstrated that treating MGD by liquefying and removing clogged meibum is the most effective method of eliminating obstructions and restoring a healthy tear film lipid layer, thereby preventing premature evaporation of tears. We believe the MGD market requires additional ECP and patient education, including clinical data to differentiate procedural and product alternatives, and enhanced patient access through the development of reimbursement coverage. In our Dry Eye segment, our commercial product line currently consists of our TearCare system. The TearCare system is a proprietary, interventional, dry eye device designed to melt and facilitate the comprehensive removal of meibomian gland obstructions and restore gland functionality and healthy oil production. We believe TearCare has a compelling physiological profile to address gland obstructions caused by MGD. Our goals with the development of TearCare are to (i) fully transform the current outdated treatment paradigm based primarily on over- the- counter (" OTC ") , and prescription eyedrops, both of which do not address obstruction of the meibomian glands, the primary root cause of MGD, and (ii) establish use of TearCare as the standard of care for the millions of patients suffering from evaporative DED caused by MGD. We primarily sell TearCare in the U. S. through our dedicated Dry Eye ocular surface sales team. **The TearCare System consists of a TearCare SmartHub, a reusable hardware controller, plus TearCare SmartLids, which are disposable, therapeutic eyelid devices used for TearCare patient therapy sessions (one pair of SmartLids provides bilateral therapy, or four eyelids treated), and TearCare accessories (Clearance Assistant and wipes).** Our commercial strategy for TearCare has been to drive awareness and adoption through cash- pay sales of TearCare to ECPs while simultaneously seeking to lay the foundation for equitable coverage and reimbursement through the generation of compelling clinical data and conduct of a targeted coding, coverage and reimbursement initiative. **In the fourth quarter of 2024, we are instituting a price increase for our TearCare products to reflect the clinical value of our technology as we seek to establish broader coverage with commercial payors and Medicare, which reduced the demand for cash- pay TearCare procedures in the fourth quarter of 2024 and we believe will continue to impact demand in the future until broader reimbursement coverage can be established. In 2025, we plan to continue** our focus on establishing appropriate and equitable reimbursement market access for TearCare based on our significant clinical trial portfolio showing strong efficacy for this procedure. **Assuming receipt of positive payor coverage or payment decisions, we believe we can start to activate the over 1, 500 eyecare facilities who have invested in TearCare Hubs, been trained on the TearCare procedure by our team and performed over 65, 000 TearCare procedures since launch.** Our Dry Eye segment, which includes TearCare and related accessories, represented 8-5 % of our total revenues-**revenue** for the year ended December 31, ~~2023~~-2024. We focus on continuous innovation and regularly seek input from our network of expert employees (including ophthalmologists on staff), advisors and customers to rapidly iterate our pre- and post-commercial product designs with the aim of better satisfying the needs of our customers and their patients, and increasing adoption and utilization of our solutions. Our ability to continuously and rapidly innovate our products is a core competency of our company. Our product innovation has resulted in a comprehensive portfolio of ~~39-49~~ issued U. S. patents, ~~62-65~~ issued patents outside of the U. S. (including six issued European patents and their national validations), ~~28-24~~ pending U. S. non-provisional patent applications, 26 pending foreign patent applications and three pending Patent Cooperation Treaty patent applications as of December 31, ~~2023~~-2024. The overall success of our innovative approach to eyecare to date is evidenced by the over ~~220-295~~, 000 estimated uses of our Surgical Glaucoma products in over ~~1-2~~, ~~900-000~~ hospitals and ambulatory service centers (" ASCs") in the U. S. and Europe, and over ~~50-65~~, 000 estimated uses of our TearCare technology in over 1, 500 eyecare facilities in the U. S. through December 31, ~~2023~~-2024. Our Solutions We have designed our OMNI, SION, and TearCare products to be interventional ophthalmology technologies. We believe both glaucoma and DED are significantly underserved by current treatment offerings and there are large market opportunities for effective solutions that preserve, protect, and restore the natural physiological functionality of diseased eyes. Our Product Development Approach The development of OMNI, SION, and TearCare follows our internal product development approach, which is governed by **the following** fundamental principles that we believe are critical to delivering the most effective, safe and consistent outcomes for patients with eye disease. • Comprehensive Understanding of Disease Physiology • **Treating Treatment of Underlying Causes with an** Interventional Mindset • Intuitive Design • Strong Clinical Evidence **Demonstrating Efficacy** • Patient Access • **Economic Value** We aim and expect to be a clinical leader in every eyecare segment we enter, and we seek to achieve all criteria in our product development projects. From device ideation to commercialization, we take into consideration the perspectives of patients, providers and third- party payors throughout our product development process. When possible, we seek to streamline our product commercialization process by designing our products to achieve the most efficient routes for U. S. Food and Drug Administration (" FDA") clearance or authorization for each applicable indication and reimbursement coverage by third- party payors. OMNI Surgical System Our OMNI technology enables an ophthalmic surgeon to perform MIGS that addresses all three known areas of resistance in the conventional outflow pathway of the eye: the trabecular meshwork, Schlemm' s canal, and the distal collector channels. OMNI is indicated for canaloplasty (microcatheterization and transluminal viscodilation of Schlemm' s canal) followed by trabeculotomy (cutting of the trabecular meshwork) to reduce IOP in adult POAG patients. This indication encompasses **the** use of OMNI both by itself for Standalone Procedures and for Combination Cataract Procedures. OMNI has

received 510 (k) clearance from the FDA and a CE mark to be marketed in the U. S. and the European Union (" EU") respectively, for canaloplasty (microcatheterization and transluminal viscodilation of Schlemm' s canal) followed by trabeculotomy (cutting of trabecular meshwork) to reduce IOP in adult patients with POAG in the U. S. or with open- angle glaucoma (" OAG") in the EU. OMNI was originally FDA 510 (k) cleared with the capability of delivering 11 microliters of ophthalmic viscoelastic device (" OVD") fluid and a version that is capable of delivering 21 microliters of OVD was FDA 510 (k) cleared for the same indications for use as the original OMNI in August 2023, **but has not yet been which is expected to be released to market in the first half of 2025**. The procedure performed with our OMNI technology ~~addresses all three known areas of resistance in the conventional outflow pathway of the eye, and~~ is designed to restore the eye' s natural drainage system without compromising the structural integrity of the eye or leaving implants behind post- surgery. The first steps of the procedure primarily address distal resistance (i. e., collapsed Schlemm' s canal, blocked collector channel ostia) and has some presumed effects on the inner wall of Schlemm' s canal and the trabecular meshwork due to dilation and stretching of the canal and meshwork. In the later steps of the procedure, a surgeon unroofs Schlemm' s canal by incising the diseased trabecular meshwork to provide aqueous humor with direct access to the drainage areas in the conventional outflow pathway. We believe that the procedure with OMNI technology is ~~uniquely~~ capable of treating all three known areas of resistance in the conventional outflow pathway of the eye. Certain competing MIGS devices have been cleared or approved by the FDA only for use in Combination Cataract Procedures for adult patients with mild- to- moderate severity, and not in Standalone Procedures. We estimate that over 85 % of the U. S. addressable market opportunity for POAG is not currently being adequately served with Combination Cataract Procedures because less than 15 % of POAG patients receive cataract surgery in any given year. We believe ~~that~~ OMNI delivers high level of effectiveness as it provides access to 360 degrees of the diseased conventional outflow pathway through a clear corneal incision to address all three known areas of resistance in the conventional outflow pathway (trabecular meshwork, Schlemm' s canal, and the distal collector channels). We have applied our medical expertise, as well as specialized design and engineering capabilities, to create a complex technology that is simple in appearance and intuitive to use. After inserting the distal tip into the corneal microincision and accessing Schlemm' s canal, the surgeon can advance and retract the catheter with a fingertip dial up to 180 degrees. On the forward advance, the physician can use the microcatheter technology to remove adhesions and herniations residing within Schlemm' s canal. Upon retraction of the catheter, OMNI synchronously delivers viscoelastic fluid to inflate and restore patency of Schlemm' s canal. The surgeon can address the remaining 180- degrees by reinserting the catheter and advancing it in the opposite direction. To perform the final steps of the procedure, the same microcatheter can be reinserted into Schlemm' s canal and used to deroof the trabecular meshwork per the surgeon' s discretion. The procedure performed with OMNI technology addresses all three areas of outflow resistance, and we believe ~~that~~ it offers the surgeon a robust and comprehensive solution for their glaucoma patients, enables surgeons to perform sequential comprehensive outflow treatments that they can customize based on an individual patient' s disease severity and eye anatomy in both Combination Cataract Procedures and in Standalone Procedures. SION Surgical Instrument **The SION Surgical Instrument is a manually operated device used in ophthalmic surgical procedures to excise trabecular meshwork. SION' s bladeless design, micro- engineered and precision manufactured using specialized lasers, excises tissue without cutting. SION grasps and removes diseased tissue as the surgeon sweeps the instrument around Schlemm' s canal with a single smooth motion. The bladeless technology of SION was developed with leading ophthalmic surgeons to improve safety and ease of use by eliminating the need to navigate sharp instrumentation within the eye' s anterior chamber and iridocorneal angle anatomy. We introduced believe SION in the represents our third quarter consecutive best- in- category device and satisfies the American Academy of 2022 Ophthalmology' s definition of goniotomy**. SION is registered with the FDA as a Class I 510 (k) exempt device ~~. SION' s bladeless design, micro- engineered and precision manufactured using specialized lasers, excises tissue without cutting. SION grasps and removes diseased tissue as the surgeon sweeps the instrument around Schlemm' s canal with a single smooth motion. The bladeless technology of SION was developed with leading ophthalmic surgeons to improve safety and ease of use by eliminating the need to navigate sharp instrumentation within the eye' s anterior chamber and iridocorneal angle anatomy. We believe SION represents our third consecutive best- in- category device and satisfies the American Academy of Ophthalmology' s definition of goniotomy~~. SION allows us to serve specific subsets of customers who may prioritize a faster or simpler procedure. Our target customers for SION include three types of combination cataract MIGS surgeons that are distinct from target OMNI customers: **1-(i)** high volume cataract surgeons seeking to perform the quickest MIGS procedures, **2-(ii)** surgeons who are initially less experienced with MIGS such as surgical fellows at academic institutions and **3-(iii)** surgeons looking for the most cost effective MIGS procedures. We believe ~~that~~ these use cases have ~~very~~ little overlap with the use cases for our OMNI device. ~~TearCare System~~ In an effort to address the treatment of evaporative DED due to MGD, we ~~custom~~ designed TearCare to facilitate what we believe is the optimal method for clearing meibomian gland obstructions based on numerous clinical studies: achieving and maintaining a maximal and highly precise external eyelid temperature of 45 degrees Celsius for 15 minutes that achieves a requisite inner eyelid therapeutic melting threshold temperature of 41 degrees Celsius to melt congealed meibum in the diseased meibomian glands. The precise, reproducible, and software- controlled thermal therapeutic melting cycle is followed promptly by clinician customized manual, comprehensive removal of the liquefied meibum obstructions with a separate clearance tool to help facilitate restoration of healthy meibum production to naturally fortify the tear' s protective lipid layer. The goal of TearCare ~~treatments~~ **therapy** is to restore the eyelid' s natural ability to produce healthy lipid secretions and recover the integrity of the tear film. We developed TearCare to serve as an elegant, compact, portable, and intuitive solution comprised of the SmartHub <sup>TM</sup> (" SmartHub"), a reusable hardware controller, and the TearCare SmartLids <sup>®</sup> (" SmartLids"), a breakthrough, software- controlled, wearable, therapeutic eyelid technology. Applied adhesively and non- invasively to the outside of the eyelids, single- use, closed loop, software- sensor controlled SmartLids deliver a precise and programmed therapeutic level of heat into the meibomian glands. This process is software- controlled, delivering precise heat to the tarsal plates of the eyelids directly overlying the meibomian

glands while continuously monitoring temperature and communicating 144 times per second with the SmartHub, a compact, finely calibrated power source and control unit which ensures a reproducible therapeutic interventional procedure for every patient. The technological design inputs of the system and precision- controlled therapeutic melting process follows clinically proven guidelines for temperature and duration required to melt obstructions in diseased meibomian glands and restore the production and secretion of healthy, clear meibum onto the tear surface. The proprietary, thin, flexible, wearable, and open- eye design of TearCare SmartLids (a) ensure a conformant fit for every patient and thereby ensure the reproducible delivery of thermal energy into the meibomian glands to achieve the requisite gland obstruction melting temperature across different eyelid anatomies, (b) allows patients to blink naturally throughout the thermal portion of the procedure, which initiates the natural movement and expression of melted gland obstructions from the diseased meibomian glands, and (c) provides a comfortable, open eye patient experience in the eye care provider' s office. Engineering SmartLids to remain comfortably adhered to virtually all shapes and sizes of eyelids while allowing freedom to blink and delivering precisely controlled, therapeutic levels of thermal energy is one of our most significant design accomplishments. Further, TearCare can be utilized by an ECP in a straightforward in- office procedure and can be accommodated during the course of a routine patient visit, which makes it convenient for patients, and allows providers to maintain procedural throughput in their practices. We believe these features and the positive patient and ECP experience with TearCare offer a stark contrast to available alternatives, which we believe are burdened by ineffective and suboptimal product design, a lack of conformance to the underlying diseased eyelid tissues yielding suboptimal therapy and clinical outcomes, and including awkward and uncomfortable patient experiences through closed eye or manual solutions that require extremely close patient proximity to the ECP throughout the treatment. Following therapeutic heat application by TearCare, ECPs may use a separate clearance tool to manually express melted meibum from each gland. ECPs can tailor the amount of pressure applied during expression to specific glands based on a desired full evacuation of the glands, thereby allowing the eyelids to resume the production and secretion of meibum to coat and protect tears. In December 2021, the FDA cleared TearCare for the application of localized heat therapy in adult patients with evaporative DED due to MGD, when used in conjunction with manual expression of the meibomian glands. In December 2023, the FDA cleared a next generation TearCare product for the same indications of use as TearCare, which has not been launched to market yet.

Our Success Factors Our mission is to develop transformative, interventional technologies that allow eyecare providers to procedurally elevate the standards of care — empowering people to keep seeing. We design our products to enable ECPs to perform safe and effective interventional procedures that can transform treatment paradigms. We believe the following factors have contributed to our success and will continue to drive our growth: • Large market opportunities in eyecare with sub- optimal treatment paradigms; • Continual development of transformative technologies to preserve, protect, and restore natural eye function; • Consistent delivery of exceptional customer experience; • Prioritization of clinical and commercial excellence and market education; • Focus on compelling economics and value creation for all eyecare stakeholders; and • Scaling our team based on our core behaviors: love what you do, have each other' s back, own it, break through walls, and grow every day. Our Growth Strategy The fundamental objectives of our growth strategy are to establish robust clinical data to support the development of our target markets and the continued commercialization of our products and to deliver an exceptional customer experience to the ECPs and patients who utilize our products. Our current growth strategies include: • ~~Establish~~ **Establishing** OMNI and SION as the standards of care for interventional glaucoma treatment among MIGS- trained surgeons; • ~~Develop~~ **Developing** and ~~expand~~ **expanding** the Standalone MIGS- ~~Market segment~~ **Segment** with OMNI , **with a focus on pseudophakic patients whose IOP is not well controlled on two or more medications and who are at risk of disease progression** ; • ~~Drive~~ **Driving** fair market access to TearCare leveraging the SAHARA and OLYMPIA trials to establish reimbursement; • ~~Drive~~ **Obtaining and maintaining appropriate reimbursement and coverage by governmental and commercial payors**; • **Driving** adoption and utilization of our products by leveraging additional clinical trials and market education; • ~~Deepen~~ **Deepening** and ~~broaden~~ **broadening** our commercial capabilities and expertise; • ~~Expand into additional international markets~~; • **Continue** **Continuing** to create transformational and interventional technology innovation throughout eyecare; and • ~~Obtain~~ **Developing our existing international markets** and **expanding our international market presence** ~~maintain appropriate reimbursement and coverage by governmental and commercial payors~~. Clinical Data We believe treatment decisions should be evidence- based and hold ourselves to the highest clinical and ethical standards to build and maintain credibility in the medical community. We are deeply committed to conducting studies to evaluate the safety, effectiveness and durability of treatments using our products, and subjecting the results to the rigorous peer review process for publication in leading journals. Our robust and growing libraries of evidence to support OMNI, SION and TearCare are helping to drive their awareness and adoption, and ultimately advancing patient care in ophthalmology and optometry. We are currently conducting active and robust clinical trial programs in both POAG and MGD. Our clinical trial designs include both randomized controlled trials (" RCTs"), prospective, and retrospective real- world studies, based on our belief that each of these approaches has unique strengths. We also plan to continue supporting our investigator- initiated trial program. OMNI Surgical System- Clinical Program Building on a solid foundation of completed and ongoing clinical trials, we are investing significant resources to further develop clinical data regarding the use of OMNI. Since 2018, there have been ~~30~~ **34** articles published in peer- reviewed journals for OMNI and its Sight Sciences predicate devices and procedures. Our completed trials include ROMEO, ROMEO 2, GEMINI, GEMINI 2, ORION 2, and TREY. • ROMEO was used to support OMNI' s indication for use expansion in the U. S. in March 2021 and resulted in two published articles in peer- reviewed journals. • ROMEO 2 replicated the results of ROMEO in a larger study population and provided longer- term (24 month) outcomes for original ROMEO subjects. • GEMINI was a prospective, multi- center, historical control, single- arm, U. S. study , ~~with~~ • GEMINI 2 ~~providing~~ **provided** 36- month follow- up for GEMINI subjects. • TREY was a multi- center study evaluating the effectiveness of Standalone Procedure intervention using OMNI in eyes with uncontrolled IOP previously treated with trabecular bypass canal implants. **Moreover, there have been two large real- world evidence studies utilizing the American Academy of Ophthalmology' s IRIS ® Registry. The first, a comparative 24- month**

outcome study of leading FDA cleared or approved MIGS (OMNI, iStent inject, Hydrus ®) used in conjunction with cataract surgery versus cataract surgery alone, and the second, an evaluation of 36- month outcomes for OMNI used as a Standalone Procedure. Both have been published in peer- reviewed journals. The 36- month real- world study which was published in December 2024 evaluated 230 eyes of 196 patients with POAG over up to three years. The results for OMNI demonstrated clinically and statistically significant reductions in IOP through up to 36 months postoperatively, with mean reductions ranging from 5.6 to 7.1 mmHg. The study also reports a statistically significant decrease in medication use through 18 months. Subgroup analysis showed even greater IOP reductions (up to 8.9 mmHg) in patients with baseline IOP greater than 18 mmHg. Eyes with lower baseline IOP (< 18 mmHg) had reductions in medication use through 36 months, and eyes with higher baseline IOP (> 18 mmHg) had statistically significant reductions in IOP and reductions in medication use through 36 months.

**Table 1: Sight Sciences OMNI Ongoing and Planned Clinical Studies**

Name	Description
<b>IRIS</b>	EVOLVE RCT study comparing the safety and effectiveness of OMNI with standard medical care in subjects not adequately controlled by prostaglandin eyedrop monotherapy
<b>IRIS-® Registry</b>	Evaluate retrospective, real- world data for OMNI and competing products from IRIS ® Registry in the U. S., including disease- severity outcomes, ethnic minorities outcomes, and standalone outcomes
<b>Meta Analysis</b>	Meta analysis that combines and analyzes the results of all studies of procedures performed by OMNI to systematically assess the results of previous research to derive conclusions about the procedures performed by OMNI and the related safety and efficacy of such procedures
<b>PANGEA</b>	----- procedures
<b>Multinational RCT</b>	study comparing the safety and efficacy of OMNI combined with phacoemulsification cataract surgery compared to cataract surgery alone in patients with POAG
<b>TearCare System- Clinical Program</b>	We have developed robust clinical data evaluating TearCare including one- <b>Our first</b> RCT for TearCare (" OLYMPIA") was and we completed Phase 1 (superiority over Restasis ® cyclosporine drops) of our SAHARA RCT (" SAHARA") in the third quarter of 2023-2021 -and Data data from OLYMPIA supported the FDA clearance of TearCare' s expanded indication for use in December 2021. The second RCT for TearCare (" SAHARA ") has completed Phase 1 and Phase 2. Phase 1 of the SAHARA RCT (showing superiority or equivalence over Restasis ® cyclosporine drops with respect to study endpoints) was published in December 2023 in Clinical Ophthalmology. The Phase 2 results from SAHARA were published in December 2023 in Clinical Ophthalmology and Phase 2 (cross- over of Restasis ® subjects to a single TearCare treatment) has been were published in May 2024 in Clinical Ophthalmology. The recently completed with Phase 3 of the trial (evaluation of duration of TearCare treatment effect) is planned to be submitted for publication in the first half of 2024-2025. We plan to leverage the results of our OLYMPIA and SAHARA studies to support FDA clearances to further expand indications for use of TearCare and to support our market access strategy. In OLYMPIA, our large multi- center RCT, the TearCare procedure was associated with statistically significant clinical improvements in all assessed signs and symptoms of DED. This included tear breakup time (" TBUT") and meibomian gland secretion score (" MGSS"), objective measurements of DED that were the trial' s primary endpoints, as well as patient- reported symptoms surveys, including Ehlrs Danlos syndrome Eye Dryness Score (" EDS"), ocular surface disease index (" OSDI"), and symptom assessment in dry eye (" SANDE"), at all time periods measured (both two weeks and four weeks post- treatment). In September 2021, an article discussing results from our OLYMPIA RCT was published in Cornea. In August 2022, a subset analysis of patients in the OLYMPIA trial with advanced DED demonstrating superior symptoms improvements with TearCare compared to an alternative MGD treatment device was published in Clinical Ophthalmology. Additionally, results from the CHEETAH study suggesting that a single TearCare procedure is safe and effective in treatment signs and symptoms of DED were published in Clinical Ophthalmology (December 2020). In SAHARA, our large, multi- center RCT, the TearCare procedure achieved its primary six- month endpoint in Phase 1, demonstrating the superiority of interventional eyelid procedures enabled by TearCare over Restasis ® eyedrops in the improvement of TBUT, a key measure of aqueous retention, tear stability and the tear film' s ability to protect the ocular surface. The SAHARA trial also observed that procedures enabled by TearCare were non- inferior to Restasis ® eyedrops in OSDI, which was the co- primary six- month endpoint. Throughout the study, interventional eyelid procedures with TearCare demonstrated clinically and statistically significant improvements of every endpoint and at every measurement interval: one week, one month, three months, and six months. Endpoints assessed include TBUT, MGSS, corneal staining, and conjunctival staining. In the next phase Phase 2 of the SAHARA trial, subjects in the Restasis ® cohort will cease use of Restasis ®, and receive received an interventional eyelid procedure with TearCare, and were will be monitored for another six months. Statistically significant improvements were observed in TBUT and MGSS at three and six months after the TearCare intervention and OSDI was numerically improved from the end of Restasis ® treatment and remained clinically and statistically significantly better than the pre- study baseline. In Phase 3 of the SAHARA trial, Subjects- subjects in the TearCare cohort will receive received additional TearCare interventional eyelid procedures as necessary based on pre- determined criteria over an additional 18 months (24 months total study period) to measure the durability of procedural treatment effect. This final phase was recently completed and analysis of the results is ongoing. We expect publication of the Phase 3 one- year crossover clinical results by December 31, 2024-2025. Table 2: Sight Sciences TearCare Ongoing Clinical Study
<b>SAHARA</b>	Name-Description SAHARA-NCT04795752: Prospective, Randomized, Masked, Controlled Trial To Evaluate The Safety And Effectiveness Of The TearCare ® System In The Treatment Of The Signs And Symptoms Of Dry Eye Disease. Control group will self- administer Restasis ® for six months then receive one TearCare treatment. Following the six- month primary endpoint, patients in the control group stopped will stop Restasis and receive received a single TearCare treatment and continue continued to be followed for an additional six months. Patients in the TearCare group will continue to be followed for an additional 18 months with repeat TearCare treatments as needed according to protocol specified criteria. Commercial Approach We have built a world- class direct sales commercial organization that features professionals and executives with substantial leadership experience from leading ophthalmic product and medical technology companies. In particular, we have recruited professionals with track records that include launching new

technologies, growing primary demand, changing treatment paradigms and securing market access from payors. We believe this expertise is crucial to achieve our market development objectives for interventional standalone MIGS and MGD treatment. Sales representatives typically have relevant experience across medical device and / or pharmaceutical sales focused on eyecare to ensure the development of a trusted consultative relationship with our ECPs. As we have developed our clinical data and brand recognition, we believe our team has differentiated our product offerings and gained commercial traction through exceptional, highly involved training, support and ongoing professional education. As of December 31, 2023-2024, our overall commercial team consisted of approximately 130-127 professionals dedicated to sales, marketing, commercial support, training and professional relations. We maintain distinct sales, marketing, and training teams to support our business segments because our products are predominantly sold to different types of customers and require specialized product -specific sales expertise and ECP training to integrate our products into their practices. We sell OMNI and SION to facilities where ophthalmic surgeons perform outpatient procedures, particularly ASCs and hospital outpatient departments (" HOPDs"). We sell TearCare to optometry and ophthalmology practices. Our marketing efforts are centered around increasing awareness of our products and presenting clinical study results through leading medical publications and at large industry and scientific meetings, both directly and through our advisors. We have also partnered with qualified ECPs to ~~spea~~ **educate their** peers on our behalf through educational forums. Clinical data that demonstrate the **clinical** benefits of OMNI and TearCare for their authorized uses will continue to underpin our commercial efforts and we intend to continue to devote significant resources to conduct new clinical studies and publish articles in peer- reviewed journals. Seasonality We believe our sales may be impacted by seasonal factors. For example, we typically experience higher ~~procedure-~~ **sales** volumes in the second and fourth quarters versus the first and third quarters. Demand is often lower during summer months because of ECP vacations and in winter months in certain parts of the world because of fewer business or surgery days due to holidays and adverse weather conditions. But this may vary year- over year as it did in 2023 where demand was softer in the fourth quarter due to the impacts of the Draft LCDs, as amended, that were ultimately withdrawn by the MACs but created demand uncertainty in the period, **and in 2024 where demand was softer in the fourth quarter due to the impacts of the final LCDs that were published early in 2024 and became effective in November 2024 (" Final LCDs ") that implemented restrictions on multiple MIGS done at the same time as cataract surgery**. Seasonality in future periods may also be impacted by reimbursement coverage, sales infrastructure, and consumer and physicians' behaviors and confidence. **See the section titled " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Our Business and Results of Operations — Reimbursement Rates and Coverage " for additional information regarding the Draft LCDs.** Our commercial activities are substantially within the United States. We sell our Surgical Glaucoma products primarily to ASCs and HOPDs, who in turn bill various third-party payors, such as Medicare and private health insurance plans for the healthcare services and resources rendered to treat a patient. TearCare is not currently covered or paid by Medicare or private payors under any formal policy, although some payors may agree to provide case- based coverage outside of a formal policy. Our market access team ~~helps facilitates-~~ **facilitate** patient access to the OMNI, SION and TearCare systems by engaging payors on coverage, coding and payment matters, and by providing support to patients and our customers as they seek reimbursement from payors that do not have positive coverage or those that do not have formal policies in place regarding our products. Reimbursement for Uses of the OMNI Surgical System and SION Surgical Instrument Surgeons are able to perform a comprehensive outflow procedure enabled by OMNI or a partial outflow procedure focused on the trabecular meshwork with SION. Medicare coverage **policies for MIGS procedures in five of the seven Medicare Administrative Contractor (" MACs ") jurisdictions, which became effective in November 2024, confirmed continued Medicare coverage for Combination Cataract Procedures (cataract surgery procedures performed with a single MIGS procedure), including both canaloplasty and goniotomy procedures. Medicare coverage of Combination Cataract Procedures involving non- implant MIGS procedures in the remaining two MACs is available outside of a formal coverage policy, as is Medicare coverage of Standalone Procedures performed using OMNI or SION.** Widespread coverage is important for commercial adoption. Based on POAG prevalence, we estimate that currently approximately 70 % of patients who receive glaucoma treatment are covered by Medicare (fee- for- service and Medicare Advantage plans). Private payor coverage policies vary for procedures that may be performed with OMNI or SION technologies. For instance, in the United States, some commercial payors, including numerous Blue Cross Blue Shield plans, Cigna plans, and Aetna plans, have published medical policies that consider canaloplasty medically necessary for the treatment of glaucoma, though specific criteria for coverage may vary depending on the payor. Additionally, as with many healthcare items and services, some health plans cover the procedures performed using OMNI and SION outside of a formal coverage policy. Where coverage is less consistent or is limited, as is the case with certain commercial payors, our market access team works with payors directly and with customers to facilitate patient access to our Surgical Glaucoma products by working towards securing appropriate coverage and reimbursement. We have established and continue to build a substantial library of clinical evidence and health economics outcomes research data and published articles to directly address the needs of payors. We believe ~~that~~ the results from our completed, in- progress and planned clinical trials and ~~subsequent~~ accompanying peer-reviewed articles will help to expand and solidify coverage of procedures performed using OMNI and SION. We estimate that **most**, as of December 31, 2023, approximately 79 % of people with medical benefit coverage have reimbursed access to the canaloplasty procedures and procedures performed using OMNI ~~specifically under such coverage.~~ **We** In particular, we continue to proactively engage with the remaining key national and regional payors currently not covering performed using OMNI to seek reversals of their current non- coverage policies. Virtually all sales of OMNI and SION in the U. S. are to ASCs and HOPDs. Per Medicare and many private payor payment policies, when certain procedures are performed in the ASC setting on the same day, such as cataract surgery, canaloplasty and goniotomy, multiple procedure payment reduction rules apply. Therefore, when a canaloplasty or goniotomy is performed with cataract surgery on the same patient on the same day, payment of the lower- cost procedure (most commonly the cataract procedure) is reduced by 50 %. Multiple procedure payment

reduction rules also typically apply to professional services. Physicians are likely to be paid at a reduced rate for lower valued procedures when performed concomitantly. In the HOPD setting, Medicare procedures performed using OMNI and SION as well as cataract procedures, are paid under comprehensive ambulatory payment classifications ("C-APCs"). In these circumstances, the highest valued code is paid at 100%, with payment for additional procedures performed during the same operative session bundled into the single highest payment rate. Many commercial payors use a similar payment methodology, but payment rules can vary across health plans, particularly across plan types (e.g., HMO, PPO, POS). The rates for procedures performed with our products vary depending on the code billed and the setting where the procedure is performed. The table below outlines the Medicare national unadjusted average payment rates for each in 2023 and 2024 and 2025. HOPD Facility Payment Rate-ASC Facility Payment Rate-Physician Payment Rate-HCPCS Payment Rate-HCPCS

Code	Descriptor	2024	2024	2024	Descriptor	2025	2025	2025
803	\$ 786	Canaloplasty	\$ 3,996	\$ 3,874	1.969	4,023	\$ 2,045	\$ 827
							2,094	\$ 608

These Medicare national unadjusted average facility payment rates are classified as comprehensive C-APCs, therefore in the HOPD setting, the highest valued code will be paid and other C-APC classified procedures will be bundled into the highest paid procedure. Based on customer feedback, we believe the rates for facility and physician reimbursement in both settings reflect attractive and reasonable payments to cover all of our customers' costs and economic needs related to glaucoma treatments using OMNI and SION. While our commercialization of OMNI has primarily been focused on the U.S., we have also begun focused our efforts on international commercialization efforts. Outside the U.S., including we have focused our efforts in the United Kingdom and Germany, where we have hired local commercial and market access teams to promote OMNI to health care professionals, and we use distributors facilitate equitable reimbursed market access to procedures using our OMNI technology. We also sell OMNI in Italy and a limited number of other countries in Europe through distributors. To date, the procedures most commonly performed with OMNI are covered in all United Kingdom and German regions and we are working towards educating ECPs across all these regions regarding the appropriate procurement and submission of claims for reimbursement to facilitate access to OMNI for patients and ECPs. Although Germany employs a single-payor health system and national MIGS procedure codes (which include canaloplasty and trabeculotomy), coverage decisions are made on a decentralized basis by the Physician's Associations (Kassenärztliche Vereinigung) ("KVs") in each of Germany's regions. To date, the procedures most commonly performed with OMNI and SION are covered in all regions and we are working towards seeking to educate educate ECPs across all these regions KVs regarding the clinical profile and benefits of OMNI to ensure appropriate procurement and submission of claims for reimbursement from the KVs to facilitate access to OMNI for patients and ECPs. In the United Kingdom, we believe sell our OMNI products both to the United Kingdom National Health System, generally through a national tender framework, as well as to certain commercial payors. However, current reimbursement codes in the United Kingdom do not fully describe OMNI's comprehensive procedure, which has led to certain reimbursement challenges. For instance, in the third quarter of 2024, reimbursement advice from the National Health System regarding its tariffs, or payments, for MIGS procedures, including procedures performed using OMNI, will continue has caused a shift away from the code previously relied upon by ECPs as applicable to be favorable OMNI, to use of codes that provide lower levels of reimbursement for OMNI procedures. As we expand into other countries, we intend to establish payor coverage and reimbursement strategies that are appropriate for each local market. Reimbursement for Uses of the TearCare System TearCare is not currently covered by Medicare or private payors via formal medical policy, although some payors may agree to provide coverage and payment outside of formal policy. In December 2021, the FDA cleared TearCare for the application of localized heat therapy in adult patients with evaporative DED due to MGD, when used in conjunction with manual expression of the meibomian glands. We believe the current Rx and OTC dry eye drop standard of care (representing over 95% of the existing market is dominated by), which primarily consists of warm compresses, over-the-counter artificial tears, or lubricating and prescription eyedrops, does that do not treat address the root underlying cause causes of MGD. We believe TearCare has the potential to offer a better standard of care for evaporative dry eye patients and reduce overall costs for payors. Despite the presence of a large and growing patient-pay market for TearCare as shown in our controlled launch in 2022 through 2024, we believe that improving access to TearCare through positive coverage decisions by Medicare and private payors will help grow the market for the TearCare procedures. We are pursuing a vigorous market access development plan to obtain more favorable policies from Medicare and private payors for procedures using TearCare in the U.S. Category III CPT code 0563T, which became effective January 1, 2020, describes the heating of meibomian glands using a wearable open-eye device and manual evacuation of meibomian glands. This code allows providers to pursue reimbursement and payors to establish payment rates for the procedure. Prior to formal coverage decisions or establishment of a permanent Category I code, third-party payors may cover procedures billed with temporary Category III codes on a case-by-case basis. In December 2024, a Budget Impact Analysis ("BIA") of the TearCare® System for the treatment of MGD-associated dry eye disease in the United States was published in the Expert Review of Ophthalmology journal. The BIA estimates the fiscal impact of adopting a new technology or treatment within a specific provider environment or patient population, and identifies the health savings associated with increased adoption of TearCare as compared to prescription dry eye medications for patients with dry eye disease. Key findings indicated that a 20% increase in market share of TearCare compared to prescription dry eye medications would yield an estimated annual savings of \$ 36.87 per member per year across all plan members in a hypothetical health plan with one million covered lives. The study showed a direct relationship between increased utilization of TearCare in place of prescription medications and total costs savings from a U.S. payer perspective. We continue to generate clinical data to support positive coverage decisions from Medicare and private payors. In December 2023, Clinical Ophthalmology published and are leveraging the OLYMPIA, results of the six-month SAHARA RCT. This randomized controlled trial compared treatment using TearCare to the most commonly prescribed MGD therapeutic on the market. The data generated in the SAHARA RCT demonstrated that interventional eyelid procedures

for dry eye disease enabled by TearCare were superior at all measured time points through six months to twice daily prescription eyedrops for the improvement of TBUT, the trial's primary dry eye signs endpoint and a key measure of aqueous retention, tear stability and the tear film's ability to protect the ocular surface. In September 2021, an **and article budget impact analysis publications in our** discussing **discussions** results from our OLYMPIA RCT was published in Cornea. This randomized controlled trial compared treatment using TearCare to the leading alternative MGD treatment device on the market. In the study, we observed that a single use of TearCare was associated with **payors** improvement in each of the signs and symptoms of DED within two weeks of treatment in subjects with MGD. A subset analysis of patients in the OLYMPIA trial with advanced dry eye disease demonstrating superior symptoms improvements with TearCare compared to an alternative MGD treatment device was published in Clinical Ophthalmology (August 2022). Additionally, results from the CHEETAH study suggesting that a single TearCare procedure is safe and effective in treatment signs and symptoms of DED were published in Clinical Ophthalmology (December 2020). Our comprehensive long-term strategy to improve patient access to TearCare includes the following key initiatives: • **Demonstrate Demonstrating** the effectiveness, safety and durability of TearCare with rigorous clinical data; • **Augment Augmenting the** library of published articles on TearCare **including budget impact analyses and cost utility analyses**; • **Support Executing an effective market access strategy to establish equitable reimbursement**; • **Expanding our commercial coverage applications to increase patient and ECP awareness of TearCare treatment options**; and • **Convert Converting** to permanent Category I CPT code. Competition We believe our focus on developing and marketing intuitively designed products that are intended to restore the eye's natural physiological function by addressing underlying causes of eye disease will be an important factor in our future success. The medical device and pharmaceutical industries are intensely competitive, subject to rapid change and significantly affected by new product introductions and other market activities of industry participants. We compete with medical device and pharmaceutical companies that develop and commercialize products for eye conditions. Notable competitors with approved MIGS products include Glaukos, Alcon /Ivantis, AbbVie /Allergan, New World Medical, and Nova Eye Medical Limited. Notable competitors with approved DED **products procedures** include AbbVie /Allergan, Novartis, Johnson & Johnson, and Alcon. Some of our competitors are larger, well-capitalized companies with greater current market share and resources. We also compete with several smaller medical device companies that have a single **products product** or a limited range of products. **Our business and results of operations have also been impacted by recent elevated customer trialing of alternative MIGS products and technologies that are less proven and generally available at lower average selling prices than our OMNI technology. While we believe that the effects of this current customer trialing are transitory, we believe trialing activities in the marketplace will continue and are indicative of increasing competition in the MIGS segment.** Some of our competitors have: • Significantly greater name recognition; • Broader or deeper relations with healthcare professionals, customers, industry associations and third-party payors; • More established distribution networks; • Additional lines of products and the ability to offer rebates or bundle products to offer greater discounts or other incentives **or lower prices** to attract adoption; • Greater experience in conducting research and development, manufacturing, clinical trials, marketing and obtaining regulatory clearance or approval for products; and • Greater financial and human resources for product development, sales and marketing and patent and other intellectual property litigation. We compete primarily on the basis that our medical devices are able to treat patients with prevalent eye diseases safely and effectively. Our continued success depends on our ability to: • Develop innovative, proprietary technology and products that can cost-effectively address significant clinical needs; • Obtain and maintain regulatory clearances or approvals for the use of our products; • Obtain and maintain favorable reimbursement decisions relating to the use of our products; • Demonstrate clinical safety and effectiveness in our sponsored and third-party trials and studies; • Attract and retain skilled research and development and sales personnel; and • Successfully market and sell products. Manufacturing We do not currently operate any manufacturing facilities and instead contract with third parties for our production requirements, including key components used in our products. **On In** January 14, 2021, we entered into a supply agreement with Peter's Technology (Suzhou) CO LTD. ("PTCS"), a Chinese subsidiary of Peter's Co., Ltd., a Taiwan-based contract manufacturer (**as amended,** the "Peter's Supply Agreement"). In February 2021, PTCS began to produce commercially saleable OMNI units for us at its Suzhou City, China production facility. In May 2021, we entered into a separate supply agreement with a U. S.-based manufacturer with multiple manufacturing sites for the production in the United States of our OMNI Surgical System. Our supply agreements with these manufacturers contain customary terms and conditions. Pursuant to the Peter's Supply Agreement, PTCS purchases components from our approved suppliers for assembly, and we make purchases from PTCS on a purchase order basis. The **original three-year term of the** Peter's Supply Agreement **expires expired in** January 14, 2025 **2024, and after which** the agreement **provides has continued to automatically renew** for automatic renewals of additional **consecutive one-year periods if, neither Either party may provides provide** notification **to the other party of its intent to terminate the agreement, provided that such notification is provided at least** they intend to terminate the agreement within 90 days **of before** the end of the then-current **renewal** term. We also have the right to terminate the agreement without cause by providing 180 days' advance written notice, or with 30 days' written notice **with in the event of** any material **agreement, uncured** default by **PTCS under** the manufacturer. We subsequently amended the Peter's Supply Agreement **in January and November 2022, We subsequently amended the Peter's Supply Agreement** to, among other things, contract with PTCS to manufacture our SmartLids and SION surgical instruments. For the production of our TearCare System components, we currently have supply arrangements with several medical device manufacturers. In addition to our agreement with PTCS for the production of SmartLids, we partner with various other suppliers for the production of the SmartHub and Clearance Assistant components of our TearCare System. We believe that the manufacturing capacity provided by our approved third-party suppliers will be adequate to meet our current and anticipated manufacturing needs. We do not currently plan to manufacture our products or any related components ourselves. **However, geopolitical tensions between China and Taiwan or China and the United States, or potential escalation of the current trade dispute between the United States and China, could increase**

the cost of our products or components, and materially and adversely affect our business operations and financial condition. A significant portion of our OMNI and SION products, and certain of our TearCare system components, are produced and assembled by PTCS in China, and there is currently significant uncertainty about the relationship between the U. S. and China with respect to trade policies, government regulations, and tariffs, and such uncertainty could continue in future periods. In February 2025 and then again in March 2025, the United States imposed 10 % tariffs on all Chinese imports; this aggregate 20 % tariff applies to our products and product components imported from China. China responded with certain retaliatory tariffs on select U. S. natural resources and machinery and may respond with further retaliatory measures. The 20 % tariff will have a negative impact on our gross margins as the vast majority of our products are manufactured by third parties with manufacturing facilities located in China. If this trade war further escalates and tariffs applicable to our products increase, our business and results of operations could be materially and adversely affected. Further, retaliatory tariffs from the United States on one hand, and China, Canada, Mexico and the European Union, or other trading partners, on the other hand, may adversely affect shipping capacity and logistics and will likely increase our shipping costs.

Manufacturing facilities that produce medical devices or their component parts intended for distribution world- wide are subject to regulation and periodic unannounced inspection or audits by the FDA and other domestic and international regulatory agencies or notified bodies. In the United States, any products we sell are required to be manufactured in compliance with the FDA' s Quality System Regulation (" QSR"), which covers the methods used in, and the facilities used for, the design, testing, control, manufacturing, labeling, quality assurance, packaging, storage and shipping of our products. The distribution of our products is handled directly through a third- party logistics provider. Our finished goods are shipped from our contract manufacturers to a local gamma sterilization facility after which they are shipped to distribution facilities and, ultimately, to our customers. Intellectual Property Our commercial success depends in part on our ability to obtain and maintain proprietary protection for our current and future products and product candidates, novel discoveries, product development technologies and know- how; to operate without infringing on the proprietary rights of others; and to prevent others from infringing our proprietary rights. Our policy is to seek to protect our proprietary position by, among other methods, seeking to obtain or in- licensing- license U. S. and foreign patents and patent applications related to our proprietary technology that are important to the development and implementation of our business. We seek to obtain domestic and international patent protection, and endeavor to promptly file patent applications for new commercially valuable inventions. We file new patent applications as we conduct research and development, initiate new programs, and monitor the activities of others. We also rely on other approaches to protecting our proprietary position, such as trademarks, trade secrets, know- how, and / or continuing technological innovation to develop and maintain our proprietary position. Patent Term Generally, issued patents are granted a term of 20 years from the earliest claimed non- provisional filing date. In certain instances, U. S. patent terms can be adjusted to recapture a portion of delay by the U. S. Patent & Trademark Office (" USPTO"), in examining the patent application (" patent term adjustment") or extended to account for term effectively lost as a result of the FDA regulatory review period (" patent term extension"), or both. In some cases, the term of a U. S. patent may be shortened by terminal disclaimer, such that its term is reduced to end with that of an earlier- expiring patent. Trade Secrets In addition to patents, we rely on trade secrets and know- how to develop and maintain our competitive position. We typically rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. It is our policy to protect trade secrets and / or know- how by establishing confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and collaborators. These agreements provide that all confidential information developed or made known during the course of an individual or entity' s relationship with us must be kept confidential during and after the relationship. These agreements also provide that **we shall have all rights that we deem necessary or advisable to use and otherwise exploit** inventions resulting from work performed for us or relating to our business and conceived or completed during the period of employment or assignment, as applicable ; **shall be our exclusive property**. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary information by third parties. Patents As of December 31, **2023-2024**, we owned **39-49** issued U. S. patents, **62-65** issued patents outside of the U. S. (which includes six issued European patents and their national validations), **28-24** pending U. S. non- provisional patent applications, 26 pending foreign patent applications and three pending Patent Cooperation Treaty patent applications. Our issued patents include claims directed to devices and methods for canaloplasty and / or trabeculotomy, **goniotomy devices**, methods for treating dry eye disease using pharmaceutical compositions, the TearCare apparatus and methods of using the TearCare apparatus, components of the TearCare apparatus (including the SmartHub and SmartLids) and methods of their use, the TearCare apparatus in combination with an eyelid compression instrument and methods of their use, and methods of using the TearCare apparatus with patients wearing contact lenses. Subject to payment of required maintenance fees, annuities, and other charges, our issued U. S. patents have expiration dates between 2027 and **2041-2043**, with **seven-eight** of our issued U. S. patents having expiration dates before 2030, **28-34** having expiration dates between 2031 and 2035, one having an expiration date in 2037, and the remaining **three-six** expiring **in-between 2041-2040 and 2043**, in each case exclusive of possible patent term extensions. Of our **28-24** pending U. S. non- provisional patent applications, one was filed in 2018, **one was filed in 2019**, **three were filed in 2020**, two were filed in **2019- 2021**, three were filed in **2020-2022**, **five-seven** were filed in **2021-2023**, **six and seven** were filed in **2022-2024**, and **eleven** were filed in **2023**. Our pending U. S. non- provisional patent applications, if issued, have expected expiration dates between 2026 and 2043, exclusive of any possible patent term adjustments or patent term extensions. The foreign jurisdictions where we own issued patents include: Australia, Belgium, Brazil, China, France, Germany, Hong Kong, Ireland, Italy, Japan, Norway, Spain, Sweden, Switzerland, The Netherlands and the United Kingdom. Subject to payment of required annuities and other charges, these foreign patents have expiration dates between 2027 and 2035. We have pending patent applications in various countries including Australia, Brazil, Canada, China, Europe, Hong Kong, and Japan

which, if issued, have expected expiration dates between 2032 and 2042. As of December 31, ~~2023~~ **2024**, we owned nine U. S. trademark registrations, two EU trademark registrations; two German trademark registration; two Swiss trademark registrations; two UK trademark registrations; one Brazilian trademark registration; ~~six~~ **five** pending U. S. trademark applications; ~~six~~ **three** pending Brazilian trademark applications; one International Registration designating Australia, the EU, Japan, Korea, Mexico, Singapore, and the UK; one International Registration designating Australia, Canada, the EU, Japan, Korea, Mexico, Singapore, and the UK; one International Registration designating **Japan; one International Registration designating** Australia, Canada, the EU, Japan, and Mexico; one International Registration designating Australia, Canada, the EU, ~~the UK and Japan, Korea, Singapore, and the UK~~; one International Registration designating **Australia, Brazil, Canada, Switzerland, the EU, the UK, Japan, Korea, Mexico and Singapore; one International Registration designating Brazil, Canada, the UK, Japan, Mexico and Singapore**; and one International Registration designating Australia, ~~Canada~~ **Brazil**, the EU, ~~Japan, and Mexico~~ **the UK**.

**Government Regulation** Our products and our operations are subject to extensive regulation by the FDA and other federal, state, and local authorities in the United States, as well as comparable authorities in foreign jurisdictions. Our products are subject to regulation as medical devices in the United States under the Federal Food, Drug, and Cosmetic Act (" FDCA") and its implementing regulations. United States Regulation The FDA regulates, among other things, the development, design, non-clinical and clinical testing, manufacturing, safety, effectiveness, labeling, packaging, storage, installation, servicing, recordkeeping, premarket clearance or approval, adverse event reporting, advertising, promotion, marketing and distribution, and import and export and post- marketing surveillance of medical devices in the United States to ensure that medical devices distributed domestically are safe and effective for their intended uses and otherwise meet the requirements of the FDCA. FDA Premarket Clearance and Approval Requirements Unless an exemption applies, each new or significantly modified medical device commercially distributed in the United States requires either FDA clearance of a 510 (k) premarket notification, or approval of a premarket approval (" PMA"), application. Under the FDCA, medical devices are classified into one of three classes — Class I, Class II or Class III — depending on the degree of risk associated with each medical device and the extent of manufacturer and regulatory control needed to ensure its safety and effectiveness. Devices deemed to pose a lower risk are placed in either Class I or Class II, and devices deemed by the FDA to pose the greatest risk, such as life- sustaining, life-supporting or implantable devices, or a device deemed to be not substantially equivalent to a previously cleared 510 (k) device, are placed in Class III. Our currently marketed OMNI and TearCare products are regulated as Class II devices subject to 510 (k) clearance. Our SION surgical instrument is registered with the FDA as a Class I 510 (k) exempt device. Clinical Trials Clinical trials are almost always required to support a PMA and are sometimes required to support a 510 (k) submission. In the United States, absent certain limited exceptions, human clinical trials intended to support medical device clearance or approval or to determine safety and effectiveness of a device for an investigational use must be conducted in accordance with the FDA' s investigational device exemption (" IDE") regulations which govern investigational device labeling, prohibit promotion of the investigational device, and specify an array of recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. If the device presents a " significant risk, " to human health, as defined by the FDA, the FDA requires the device sponsor to submit an IDE application to the FDA, which must be approved in advance by the FDA for a specified number of subjects. If the device under evaluation does not present a significant risk to human health, then the device sponsor is not required to submit an IDE application to the FDA before initiating human clinical trials ~~;~~ but must still comply with abbreviated IDE requirements when conducting such trials. Regardless of the degree of risk presented by the medical device, clinical studies must be approved by ~~;~~ and conducted under the oversight of an institutional review board (" IRB") for each clinical site. If an IDE application is approved by the FDA and one or more IRBs, human clinical trials may begin at a specific number of investigational sites with a specific number of patients, as approved by the FDA. If the device presents a non-significant risk to the patient, a sponsor may begin the clinical trial after obtaining approval for the trial by one or more IRBs without separate approval from the FDA ~~;~~ but must still follow abbreviated IDE requirements. Clinical trials are subject to extensive monitoring, recordkeeping and reporting requirements. Clinical trials must be conducted under the oversight of an IRB, and the relevant clinical trial sites and must comply with FDA regulations, including but not limited to those relating to good clinical practices. To conduct a clinical trial, we also are required to obtain the subjects' informed consent in form and substance that complies with both FDA requirements and state and federal privacy and human subject protection regulations. We, the FDA, or the IRB, could suspend a clinical trial at any time for various reasons, including a belief that the risks to study subjects outweigh the anticipated benefits. Even if a trial is completed, the results of clinical testing may not adequately demonstrate the safety and effectiveness of the device or may otherwise not be sufficient to obtain FDA clearance or approval to market the product in the United States. Similarly, in Europe, the clinical study must be approved by a local ethics committee and in some cases, including studies with high- risk devices, by the ministry of health in the applicable country. During a study, the sponsor is required to comply with the applicable FDA requirements, including, for example, trial monitoring, selecting clinical investigators and providing them with the investigational plan, ensuring IRB review, adverse event reporting, record keeping and prohibitions on the promotion of investigational devices or on making safety or effectiveness claims for them. The clinical investigators in the clinical study are also subject to FDA' s regulations and must obtain patient informed consent, rigorously follow the investigational plan and study protocol, control the disposition of the investigational device, and comply with all reporting and recordkeeping requirements, and satisfy state and federal privacy and human subject protection regulations. Additionally, after a trial begins, we, the FDA or the IRB could suspend or terminate a clinical trial at any time for various reasons, including a belief that the potential benefits of the study are outweighed by cost, safety, or other factors. 510 (k) Clearance Process Under the 510 (k) process, the manufacturer must submit to the FDA a premarket notification submission demonstrating that the proposed device is " substantially equivalent, " as defined in the FDCA, to a legally marketed predicate device. A predicate device is a legally marketed device that is not subject to premarket approval and for which a PMA is not required, a device that has been reclassified from Class III to Class II or I, or a device that was found substantially equivalent

through the 510 (k) process. A device is considered to be substantially equivalent if, with respect to the predicate device, it has the same intended use and has either (i) the same technological characteristics; or (ii) different technological characteristics, but the information provided in the 510 (k) submission demonstrates that the device does not raise different questions of safety or effectiveness than the predicate device. The FDA has implemented a mandatory electronic submission template, called eSTAR, for all 510 (k) submissions starting October 1, 2023. This new template helps ensure that 510 (k) s are complete by providing guided prompts to facilitate the collection and assembly of the necessary elements of a complete submission. Therefore, acceptance reviews will no longer be required, however a technical screening process will be conducted. The Medical Device User Fee Amendments sets a performance goal of 90 days for FDA review of a 510 (k) submission, but the review time can be delayed if FDA raises questions or requests additional information during the review process. As a practical matter, clearance often takes longer than 90 days. Although many 510 (k) premarket notifications are cleared without clinical data, the FDA may require further information, including clinical data, to make a determination regarding substantial equivalence, which may significantly prolong the review process. If the FDA agrees that the device is substantially equivalent, it will grant clearance to commercially market the device. If the FDA determines that the device is substantially equivalent to a predicate device, it will grant 510 (k) clearance to commercially market the device. If the FDA determines that the device is “ not substantially equivalent ” to a previously cleared device, the device is automatically designated as a Class III device. The device sponsor must then fulfill more rigorous requirements of the PMA approval process, or can request a risk- based classification determination for the device in accordance with the “ de novo ” process, which is a route to market for certain novel medical devices that are low to moderate risk and are not substantially equivalent to a predicate device. After a device receives 510 (k) clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change or modification in its intended use, will require a new 510 (k) clearance or, depending on the modification, PMA approval or de novo reclassification. The FDA requires each manufacturer to determine whether the proposed change requires submission of a 510 (k), de novo request or a PMA in the first instance, but the FDA may review this determination to evaluate the regulatory status of the modified product at any time and may require the manufacturer to cease marketing and / or request the recall of the modified device until 510 (k) marketing clearance or PMA approval is obtained or a de novo request is granted. Also, in these circumstances, the manufacturer may be subject to significant regulatory fines or penalties. Over the last several years, the FDA has proposed reforms to its 510 (k) clearance process, and such proposals could include increased requirements for clinical data and a longer review period, or could make it more difficult for manufacturers to utilize the 510 (k) clearance process for their products. Ongoing Regulation by the FDA Even after the FDA permits a device to be marketed, numerous and pervasive regulatory requirements continue to apply. These include: • Establishment of registration and device listing with the FDA; • QSR requirements, which require manufacturers, including third- party manufacturers, to follow stringent design, testing, control, supplier / contractor selection, compliant handling, documentation and other quality assurance procedures during all aspects of the design and manufacturing process; • Labeling regulations, advertising and promotion requirements, restrictions on sale, distribution or sale of a device, each including the FDA prohibition against the promotion of products for any uses other than those authorized by the FDA, which are commonly known as “ off- label ” uses; • The Medical Device Reporting regulations, which require that a manufacturer report to the FDA if a device it markets may have caused or contributed to a death or serious injury, or has malfunctioned and the device or a similar device that it markets would be likely to cause or contribute to a death or serious injury, if the malfunction were to recur; • FDA approval of product modifications of approved devices that affect safety or effectiveness or that would constitute a major change in intended use of an approved device; • Medical device correction and removal reporting regulations, which require that manufacturers report to the FDA field corrections or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health; • Recall requirements, including a mandatory recall if there is a reasonable probability that the device would cause serious adverse health consequences or death; • An order of repair, replacement, or refund; • Device tracking requirements **(if ordered by the FDA)**; and • Post- market study and surveillance requirements. The FDA has broad regulatory compliance and enforcement powers. If the FDA determines that a manufacturer has failed to comply with applicable regulatory requirements, it can take a variety of compliance or enforcement actions, which may result in any of the following sanctions: • Warning letters, untitled letters, fines, injunctions, consent decrees and civil penalties; • Recalls, withdrawals, or administrative detention or seizure of our products; • Operating restrictions or partial suspension or total shutdown of production; • Refusing or delays in processing, clearing, or approving submissions or applications for new products or modifications to existing products; • Suspension or withdrawal of 510 (k) clearances or PMA approvals that have already been granted; • FDA refusal to issue certification to foreign governments needed to export our products for sale in other countries; or • Criminal prosecution. International Regulation of Our Products Our research, development, and clinical programs, as well as our manufacturing and marketing operations, are subject to extensive regulation in other countries. For example, the EU has adopted specific regulations regulating the design, manufacture, clinical investigations, conformity assessment, labeling and adverse event reporting for medical devices. Until May 25, 2021, medical devices were regulated by Council Directive 93 / 42 / EEC (“ Medical Devices Directive”) which has been repealed and replaced by Regulation (EU) No 2017 / 745 (“ EU MDR”). Our original CE Mark certificates were granted under the Medical Devices Directive. However, as of May 26, 2021, some of the EU MDR requirements apply in place of the corresponding requirements of the Medical Devices Directive, with regard to registration of economic operators and of devices, post- market surveillance and vigilance requirements. Pursuing marketing of medical devices in the EU requires that our devices be certified under the new regime set forth in the EU MDR. On December 11, 2023, the Company received approval of the OMNI Surgical System family of products under the EU **Medical Device Regulation (EU-MDR)**, fulfilling these requirements. ~~Our MDD certificate remains valid until May 26, 2024.~~ **Medical Devices - Device** Regulation On April 5, 2017, the EU MDR was adopted. The EU MDR establishes a uniform, transparent, predictable and sustainable regulatory framework across the EU for medical devices and ~~ensure~~ **ensures** a high level of safety and health

while supporting innovation. Unlike the Medical Devices Directive, the EU MDR is directly applicable in EU member states without the need for ~~each~~ member ~~states~~ ~~state~~ to implement ~~the regulation~~ into ~~such members state~~'s national law. This aims at increasing harmonization across the EU. The EU MDR became effective on May 26, 2021. The new regulation, among other things: • strengthens the rules on placing devices on the market (e. g. , reclassification of certain devices and wider scope than the Medical Devices Directive) and reinforces surveillance once they are available; • establishes explicit provisions on manufacturers' responsibilities for the follow- up of the quality, performance and safety of devices placed on the market; • establishes explicit provisions on importers' and distributors' obligations and responsibilities; • imposes an obligation to identify a responsible person who is ultimately responsible for all aspects of compliance with the requirements of the new regulation; • improves the traceability of medical devices throughout the supply chain to the end- user or patient through the introduction of a unique identification number, to increase the ability of manufacturers and regulatory authorities to trace specific devices through the supply chain and to facilitate the prompt and efficient recall of medical devices that have been found to present a safety risk; • sets up a central database (" Eudamed") to provide patients, healthcare professionals and the public with comprehensive information on products available in the EU; and • strengthens the rules for the assessment of certain high- risk devices, such as implants, which may have to undergo a clinical evaluation consultation procedure by experts before they are placed on the market. The aforementioned EU rules are generally applicable in the European Economic Area ("~~EEA~~"), which consists of the 27 EU member states plus Norway, Liechtenstein and Iceland. Other countries, such as Switzerland, have entered into Mutual Recognition Agreements and allow the marketing of medical devices that meet EU requirements. With the entry into force of the EU MDR, the Swiss- EU Mutual Recognition Agreement was updated as Switzerland is considered a third country to the European Union. Switzerland released their national regulation, the Swiss Medical Devices Ordinance ("~~MedDO~~") on May 25, 2021, and has aligned their requirements with the EU MDR, subject to transitional provisions. Therefore, EU CE Marking Certificates are accepted in Switzerland, along with additional requirements as set forth in the MedDO. As of January 1, 2021, the United Kingdom has entered a transition period following Brexit. During that period, the UK Medical Devices Regulations ("~~UK MDR~~") 2002 remains applicable in England, Scotland and Wales (" Great Britain"). During 2021, a UK Responsible Person was appointed, and we registered the OMNI System with the Medicines and Healthcare products regulatory agency. Valid CE marks under the EU MDR will continue to be accepted in Great Britain, and the requirement to obtain a UK Conformity Assessed (" UKCA") mark has been delayed until June 30, 2030. Sight Sciences received a UKCA certification for the OMNI family of products on March 1, 2024, and ~~will create~~ ~~has completed~~ a transition plan ~~during the period when the CE Mark is still accepted~~ to transition over to the UKCA requirements. Healthcare Fraud and Abuse Laws In the United States, we are subject to ~~several~~ ~~a number of~~ federal and state healthcare regulatory laws that restrict business practices in the healthcare industry. These laws include, but are not limited to, federal and state anti- kickback, false claims, transparency and other healthcare fraud and abuse laws. The U. S. federal Anti- Kickback Statute prohibits, among other things, any person or entity from knowingly and willfully offering, paying, soliciting, receiving or providing any remuneration, directly or indirectly, overtly or covertly, to induce or in return for purchasing, leasing, ordering, or arranging for or recommending the purchase, lease, or order of any good, facility, item or service reimbursable, in whole or in part, under Medicare, Medicaid or other federal healthcare programs. The term " remuneration " has been broadly interpreted to include anything of value, including cash, improper discounts, and free or reduced price items and services. Among other things, the Anti- Kickback Statute has been interpreted to apply to arrangements between medical device manufacturers on the one hand and prescribers and purchasers on the other. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. The government can exercise enforcement discretion in taking action against unprotected activities. Further, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. The majority of states also have anti- kickback laws, which establish similar prohibitions, and in some cases may apply to items or services reimbursed by any third- party payor, including commercial insurers and self- pay patients. The federal false claims legislation, including the civil False Claims Act, prohibit, among other things, any person or entity from knowingly presenting, or causing to be presented, a false, fictitious or fraudulent claim for payment to, or approval by, the federal government, knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government, or knowingly making a false statement to avoid, decrease or conceal an obligation to pay money to the U. S. federal government. A claim includes " any request or demand " for money or property presented to the U. S. government. Actions under the civil False Claims Act may be brought by the Attorney General or as a qui tam action by a private individual in the name of the government. Moreover, a claim including items or services resulting from a violation of the U. S. federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act. In addition, various states have enacted false claim laws analogous to the federal False Claims Act, although many of these state laws apply where a claim is submitted to any third- party payor and not merely a federal healthcare program. The federal Health Insurance Portability and Accountability Act of 1996 ("~~HIPAA~~") created additional federal criminal statutes that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third- party payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the U. S. federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it ~~in order~~ to have committed a violation. The federal Physician Payments Sunshine Act requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program (" CHIP"), with specific exceptions, to report annually to the Centers for Medicare & Medicaid Services (" CMS") information related to payments or other transfers of value made to physicians (defined to include doctors,

dentists, optometrists, podiatrists and chiropractors), and teaching hospitals, and applicable manufacturers and applicable group purchasing organizations to report annually to CMS ownership and investment interests held by physicians and their immediate family members. Beginning in 2022, such obligations were expanded to include payments and other transfers of value provided in the previous year to additional healthcare professionals, including physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiologist assistants and certified nurse midwives. Violations of fraud and abuse laws, including federal and state anti-kickback and false claims laws, may be punishable by criminal and civil sanctions, including fines and civil monetary penalties, the possibility of exclusion from federal healthcare programs (including Medicare and Medicaid), disgorgement and corporate integrity agreements, which impose, among other things, rigorous operational and monitoring requirements on companies. Similar sanctions and penalties, as well as imprisonment, also can be imposed upon executive officers and employees of such companies.

Coverage and Reimbursement In the United States, our currently cleared products are not separately reimbursed by any third-party payors, and if covered, are paid for as part of the procedure in which the product is used. Our commercial success depends in part on the extent to which governmental authorities, private health insurers and other third-party payors provide coverage for and establish adequate reimbursement levels for the procedures in which our products are used. Failure by physicians, hospitals, ambulatory surgery centers and other users of our products to receive adequate reimbursement from third-party payors for procedures in which our products are used, or adverse changes in government and private third-party payors' coverage and reimbursement policies, may adversely impact demand for our products. Based on our experience to date, third-party payors generally reimburse for the procedures in which our products are used only if the patient meets the established medical necessity criteria for the procedure. Some payors have moved toward a managed care system and control their healthcare costs by establishing coverage policies that categorically restrict coverage of certain procedures, or by limiting authorization for procedures, including elective procedures using our devices. No uniform policy of coverage and reimbursement among payors in the United States exists, and coverage and reimbursement for procedures can differ significantly from payor to payor. Third-party payors are increasingly auditing and challenging the prices charged for medical products and services with concern for upcoding, miscoding, using inappropriate modifiers, or billing for inappropriate care settings. Some third-party payors must approve coverage for new or innovative devices or procedures before they will reimburse healthcare providers who use the products or therapies. Even though a new product may have been cleared for commercial distribution by the FDA, we may find limited demand for our product unless reimbursement approval can be obtained and / or maintained from governmental and private third-party payors. In addition to uncertainties surrounding coverage policies, there are periodic changes to reimbursement levels. Third-party payors regularly update reimbursement amounts and also from time to time revise the methodologies used to determine reimbursement amounts. This includes routine updates to payments to physicians, hospitals and ambulatory surgery centers for procedures during which our products are used. These updates, which ~~could may~~ include lower reimbursement rates for procedures in which our products are used, could ~~have~~ **have** ~~a directly~~ **direct** impact ~~on~~ the demand ~~for of~~ for our products. We believe the overall escalating cost of medical products and services being paid for by the government and private health insurance has led to, and will continue to lead to, increased pressures on the healthcare and medical device industry to reduce the costs of products and services. Third-party payors are developing increasingly sophisticated methods of controlling healthcare costs through prospective reimbursement and capitation programs, group purchasing, redesign of benefits, and exploration of more cost-effective methods of delivering healthcare. In the United States, some insured individuals enroll in managed care programs, which monitor and often require pre-approval of the services that a member will receive. Some managed care programs pay their providers on a per capita (patient) basis, which puts the providers at financial risk for the services provided to their patients by paying these providers a predetermined payment per member per month and, consequently, may limit the willingness of these providers to use our products. Healthcare Reform

The United States and some foreign jurisdictions are considering or have enacted a number of legislative and regulatory proposals to change the healthcare system in ways that could affect our ability to sell our products profitably. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality or expanding access. Current and future legislative proposals to further reform healthcare or reduce healthcare costs may limit coverage of or lower reimbursement for the procedures associated with the use of our products. The cost containment measures that payors and providers are instituting and the effect of any healthcare reform initiative implemented in the future could impact our revenue from the sale of our products. The implementation of the Affordable Care Act ("ACA") in the United States, for example, has changed healthcare financing and delivery by both governmental and private insurers substantially, and affected medical device manufacturers significantly. The ACA, among other things, provided incentives to programs that increase the federal government's comparative effectiveness research, and implemented payment system reforms including a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain healthcare services through bundled payment models. Additionally, the ACA expanded eligibility criteria for Medicaid programs and created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research. Since its enactment, there have been judicial, executive and political challenges to certain aspects of the ACA. On June 17, 2021, the U. S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. It is unclear how healthcare reform measures of the ~~Biden~~ **Biden- Trump** administration or other efforts, if any, to challenge, repeal or replace the ACA will impact the law or our business. In addition, the American Taxpayer Relief Act of 2012, among other things, further reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. The Medicare Access and CHIP Reauthorization Act of 2015 repealed the formula by which Medicare made annual payment adjustments to physicians and replaced the former formula with fixed annual updates and a new system of incentive payments that began in 2019 that are based on various performance

measures and physicians' participation in alternative payment models, such as accountable care organizations. We expect additional state, federal, and foreign healthcare reform measures to be adopted in the future, any of which could limit the amounts that federal, state, and foreign governments will pay for healthcare products and services, which could result in reduced demand for our products or additional pricing pressure. Data Privacy and Security Laws Numerous state, federal and foreign laws, including consumer protection laws and regulations, govern the collection, dissemination, use, access to, confidentiality and security of personal information, including **personal** health- related information. In the United States, numerous federal and state laws and regulations, including data breach notification laws, health information privacy and security laws, including HIPAA, and federal and state consumer protection laws and regulations (e. g., Section 5 of the FTC Act), that govern the collection, use, disclosure, and protection of health- related and other personal information could apply to our operations or the operations of our partners. In addition, certain state and non- U. S. laws, such as the California Consumer Privacy Act ("CCPA"), **and the Colorado Privacy Act ("CPA")**, other state **privacy and data protection** laws similar to the CCPA ~~or CPA~~, and the General Data Protection Regulation ("GDPR"), govern the privacy and security of personal information, including health- related information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and / or criminal penalties and private litigation. Privacy and security laws, regulations, and other obligations are constantly evolving, may conflict with each other to complicate compliance efforts, and can result in investigations, proceedings, or actions that lead to significant civil and / or criminal penalties and restrictions on data processing. In Europe, the GDPR went into effect on May 25, 2018 and introduces strict requirements for processing the personal data of European Union data subjects. Companies that must comply with the GDPR face increased compliance obligations and risk, including more robust regulatory enforcement of data protection requirements and potential fines for noncompliance. Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States, and the efficacy and longevity of current transfer mechanisms between the EU and the United States remains uncertain. Further, from January 1, 2021, companies ~~must have to~~ **must** comply with the GDPR and also the United Kingdom General Data Protection Regulation ("UK GDPR"), which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. ~~The relationship between the United Kingdom and the European Union in relation to certain aspects of data protection law remains unclear, and it is also unclear how United Kingdom data protection laws and regulations will develop, and how data transfers to and from the United Kingdom will be regulated.~~ Human Capital As of December 31, ~~2023~~ **2024**, we had ~~214~~ **216** full- time employees. Our highly qualified and experienced team includes scientists, physicians and professionals across sales, marketing, regulatory, finance and other important functions that are critical to our success. We believe that the success of our business will depend, in part, on our ability to attract and retain qualified personnel. None of our employees are represented by a labor union or are a party to a collective bargaining agreement and we believe that we have good relations with our employees. We believe that our continued success is reliant on the ability to attract, develop and retain top talent. To facilitate talent attraction and retention, we strive to foster an inclusive and safe workplace, with opportunities for our employees to grow and develop in their careers, supported by competitive compensation and benefits programs. In the attraction, development and retention of talent, we emphasize: Compensation and Benefits. We strive to provide competitive compensation and benefits programs to attract and retain top talent and review these programs annually against the competitive landscape to ensure they continue to meet the needs of our employees. In addition to salaries, these programs include a variety of short and long- term incentive plans such as annual **performance- based** bonuses, **commissions for certain sales roles**, equity awards, an Employee Stock Purchase Plan, a 401 (k) Plan, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave, family care resources, flexible work schedules, and employee assistance programs. In addition to our broad- based equity award programs, we have used targeted equity- based grants with vesting conditions to facilitate the retention and engagement of our talent. Talent Development. We believe employees are our greatest asset and we strive to provide development and promotional opportunities in order to help our employees reach their potential. We provide formal and informal training opportunities designed to enhance learning and development. Consistent with our performance review processes, we foster and encourage continuous manager and employee dialogue around performance and development. Health, Safety and Wellness. We are committed to the health, safety and wellness of our employees. We provide our employees and their families with access to a variety of flexible and convenient health and wellness programs, including benefits that provide protection and security so they can have peace of mind concerning events that may require time away from work or that impact their financial well- being; that support their physical and mental health by providing tools and resources to help them improve or maintain their health status and encourage engagement in healthy behaviors. Diversity, Equity, Inclusion, and Belonging. We believe diversity of thought, values, individual characteristics, beliefs and backgrounds is critical to our overall success. We are an equal opportunity employer and believe that diverse and differentiated views contribute to make us a better organization where every employee not only contributes to our collective success but also feels a sense of belonging. It is our conscious effort to support the advancement of women and Black, Indigenous and other people of color and promote equal opportunity for all our employees within the workplace. Additional Information Sight Sciences, Inc. was incorporated as a Delaware corporation on February 10, 2010. We maintain a website at [www. sightsciences. com](http://www.sightsciences.com). At our Investor Relations website, [investors. sightsciences. com](http://investors. sightsciences. com), we make available free of charge information for investors, including our Annual Reports on Form 10- K, Quarterly Reports on Form 10- Q, Current Reports on Form 8- K, and any amendments to those reports, as soon as reasonably practicable after we electronically file that material with or furnish it to the SEC. The information found on our website is not part of this or any other report we file with, or furnish to, the SEC, and references to our website address are inactive textual references only. Item 1A. Risk Factors. Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this

Annual Report on Form 10-K, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our ~~condensed-audited~~ consolidated financial statements and the accompanying notes thereto included elsewhere in this Annual Report on Form 10-K, before investing in our common stock. The risks and uncertainties described below are not the only ones we face. Additional risk and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth and future prospects, as well as our ability to accomplish our strategic objectives. In that event, the market price of our common stock could decline and you could lose ~~all or part or all~~ of your investment. **Risks Related to Our Business** We are an early-stage company with a history of significant losses, we expect to incur losses in the future, and we may not be able to achieve or sustain profitability, which may make it difficult to evaluate the success of our business to date and to assess ~~the~~ prospects for our future viability. We have incurred annual net losses since our formation in 2010. For the years ended December 31, **2024 and 2023 and 2022**, we had net losses of \$ **55-51.5 million** and \$ **86-55.2-5 million**, respectively. As of December 31, **2023-2024**, we had an accumulated ~~a~~ deficit of \$ **294-346.8-3 million**. To date, we have financed our operations primarily through equity and debt financings and from **product sales of our products**. ~~The~~ **Our net** losses and accumulated deficit have primarily been due to the substantial investments we have made to develop our products, costs related to our sales and marketing efforts, general research and development expenses, including costs related to clinical trials and regulatory initiatives to obtain marketing clearance, and infrastructure improvements, **and costs related to intellectual property development, protection and enforcement**. In addition, as a public company, we incur significant legal, accounting and other expenses that we did not incur as a private company. Accordingly, we expect to continue to incur losses for the foreseeable future and we cannot assure you that we will ever achieve profitability or that, if we do become profitable, we will sustain profitability. Our failure to achieve and sustain profitability in the future would make it more difficult to finance our business and accomplish our strategic objectives, which would have a material adverse effect on our business, financial condition and results of operations. In addition, failure of our products to significantly penetrate our target markets would negatively affect our business, financial condition and results of operations. We are highly dependent on revenue from the sales of our products, and our inability to successfully execute our growth strategy could negatively affect our results of operations and financial condition. We began selling VISCO360 and TRAB360, commercial predicate devices to OMNI, in 2015, TearCare in 2019 and SION in ~~the second half of~~ 2022, and therefore do not have a long history operating as a commercial company. Currently, we are highly dependent on the success of OMNI ~~and~~. **We also derive revenue from sales of SION, our other commercially available Surgical Glaucoma product, and our TearCare system and related accessories**, which comprise our ~~current commercial Surgical Glaucoma Dry Eye products, and our TearCare system~~, and we expect substantially all of our ~~product revenues~~ **revenue** in at least the next 12 months to be derived from **the sale of these OMNI, SION and TearCare products**. We ~~believe~~ **are particularly dependent on the success of OMNI, which sales will continue to account** for the large majority of our ~~total revenues~~ **revenue over the next few years. In the longer term, our growth strategy is dependent upon achieving adequate and sustainable reimbursement for TearCare** ~~the year ended December 31, 2023, and which we believe will continue to help drive Dry Eye account for the substantial majority of our revenue growth going forward~~. Because we devote substantially all of our resources to **developing, marketing and selling** these products and rely on ~~them~~ **the sale of our products** as our sole source of revenue, any factors that negatively impact our products, ~~and particularly OMNI~~, or result in a decrease in sales, could have a material adverse effect on our business, financial condition and results of operations. In June 2023, **for instance, five of the seven Medicare Administrative Contractors (“MACs”) published draft-proposed local coverage determinations (the “Draft-Prior LCDs”)**, that identified certain **non-implantable MIGS procedures as investigational and not reasonable and necessary in patients over the jurisdictions where the these age of 18 for glaucoma management MACs administer Medicare Part B benefits**, including **adult canaloplasty in combination with trabeculotomy (ab interno)**, which is a procedure associated **with OMNI and for which it is indicated**. **The Prior** ~~In the fourth quarter of 2023, these Draft-LCDs~~, may also have categorized our SION technology as ~~amended, investigational and thus non-covered with respect to goniotomy procedures. The Prior LCDs were published in final form with a future effective date of January 29, 2024 and then subsequently withdrawn in late December 2023 prior to becoming effective, and replaced with updated LCDs (the “Final LCDs”) that became effective in November 2024. Had~~ **The Final LCDs allow for continued coverage of canaloplasty and goniotomy procedures performed with our OMNI and SION technologies in these five MAC jurisdictions. However, each of the Final LCDs adopted a** ~~not been withdrawn, canaloplasty followed by trabeculotomy (ab interno) would have been rendered non-covered~~. **coverage policy when an aqueous shunt or stent procedure is performed with another surgical MIGS procedure, such as canaloplasty or goniotomy, at the same time in the same patient eye. We estimate that approximately 15 % of January 29 total MIGS codes billed in the nine months ended September 30, 2024 were done in combination with another MIGS code and respect** ~~expect~~ **to Medicare Part B beneficiaries in the states administered by these** ~~the MACs non-coverage determination for multiple MIGS procedures will reduce overall MIGS claims volumes, which may would have materially and adversely impacted~~ **impact** our business, ~~revenues~~ **revenue** and prospects. **It Moreover, it** is possible that one or more MACs will publish new or updated LCDs or other determinations in the future that could characterize procedures associated with our products as non-covered, or as covered under more limited parameters. The publication and effectiveness of any such future determinations would adversely affect our business and results of ~~operation~~ **operations**. Over the next several years, we expect to continue to devote substantial resources to expand our commercialization efforts, drive increased adoption of our products and continue to develop new and improved products. Our limited commercialization experience and number of products make it difficult to evaluate our current business and predict our future prospects. For example, we believe ~~that OMNI procedures can be highly used as a Standalone Procedure to help effectively~~ **effective reduce in reducing** IOP in adult POAG patients **when performed as a Standalone Procedure. However**, ~~but we~~

have limited commercial experience with ~~this the~~ Standalone Market Segment, and the extent to which we are able to penetrate and grow this market is unknown. **If we and other market participants are unable to effectively drive the use of MIGS devices in Standalone Procedures, then our total addressable market will be significantly reduced, which will adversely affect our sales and growth strategy.** In addition, a number of factors, including some outside of our control, may render our products **less competitive,** economically impracticable or obsolete and contribute to fluctuations in our financial results, including: • Our ability to obtain and maintain reimbursement coverage for procedures in which our products are used; • Changes in reimbursement rates **or coverage restrictions instituted** by government or commercial payors, **such as the coverage limitations on multiple MIGS procedures done at the same time as a cataract surgery included in the Final LCDs**; • The results of our clinical trials or investigations, including perceived inadequacy or insufficiency of evidence supporting the clinical benefits or cost- effectiveness of our products, **and the publication of any long- term clinical data that may suggest or conclude that our products are less safe or effective than initially thought**; • Positive or negative media coverage, or public, patient and / or physician perception, of our products or competing products and treatments; • **Any safety Safety** or effectiveness concerns that arise regarding our products ~~for either their currently authorized uses or the uses for which we are developing our products~~; • The effectiveness of our marketing and sales efforts, including our ability to have a sufficient number of qualified sales representatives to sell our products; • Unanticipated delays in product development or ~~product~~ launches; • Our ability to raise additional capital on acceptable terms, or at all, ~~if needed~~ to support the commercialization of our products; • Our ability to achieve and maintain compliance with ~~all~~ legal and regulatory requirements applicable to our products; • Our ability, **and the ability of our licensors,** to obtain, maintain, protect and enforce our intellectual property rights; • Our third- party manufacturers' ability to supply our products in a timely manner, in accordance with our specifications, and in compliance with applicable regulatory requirements; and • Introduction of new products or alternative treatments that compete with our products. Our business is dependent upon the broad adoption **and continued use** of our products by eyecare professionals and patients. ECPs, including ophthalmologists and optometrists, have limited awareness of, and experience with, our products and brand. Our future growth and profitability largely depend on our ability to increase ECP and patient awareness of our products and ~~on the their~~ willingness of ECPs and patients to adopt our products. ECPs may not adopt our products unless they believe they will receive appropriate compensation for such use and are able to determine, based on experience, clinical data, medical society and association recommendations and other analyses, that our products are clinically differentiated from, or otherwise preferable to, available alternatives. Even if we are able to raise awareness among ECPs, they may be slow to change their medical treatment practices and may be hesitant to select our products for a variety of reasons, including: • Lack of adequate, equitable third- party payor coverage or reimbursement, or changes in (or new) third- party payor coverage or reimbursement policies or determinations that ~~are materially adverse~~ **adversely affect coverage for procedures involving OMNI**; • **Availability of lower- priced competitive products**; • **Unwillingness to alter historical practice patterns to incorporate OMNI use in Standalone procedures into the their practices** ~~Company's interest~~; • Lack of experience with our products and concerns that we are relatively new to market; • Perceived liability risk generally associated with the use of new products and treatment options; • Lack, or perceived lack, of sufficient clinical evidence, including **with respect to an absence of OMNI randomized controlled trial data, clinical data on long- term data outcomes**, supporting clinical benefits **of our products** or the cost- effectiveness of our products over existing treatments; • The failure of key ophthalmologist and optometrist leaders to support and recommend our products; • Perceptions that our products are unproven; • ECPs' long- standing relationships with companies, distributors and salespeople that sell competing products; • Competitive activities, including new product introductions, **pricing tactics,** and negative selling efforts from providers of alternative treatments; • **ASC and ECP preferences for procedures that may be more profitable than those performed with our products, or for competitive products that are lower priced and thus offer greater profit margins in procedures in which our products are used**; • Challenges of integrating TearCare into established ophthalmologic and optometric practices in light of ECP practice patterns and preferences, lack of awareness of our TearCare system and its capabilities, and lack of appropriate, equitable reimbursement for procedures involving our TearCare system; and • Perceptions regarding the time commitment and skill development that may be required to gain familiarity and proficiency with our OMNI and TearCare products. To effectively market and sell our products, we will need to continue to educate the medical community about the safety, efficacy, necessity and efficiency of our products and about the patient populations that would potentially benefit from the use of our products. For example, if first- line ECPs or primary care physicians that serve as the early point of contact for patients are not made aware of our OMNI products, they may not refer patients to ECPs who utilize our products, and those patients may be treated with alternative procedures or treatments. **Further, we have experienced recent declines in the numbers of surgeons we are training on the use of OMNI to perform MIGS procedures, and if we are unable to increase ECP training rates, our business and results of operations may suffer.** In addition, some physicians may choose to utilize our products on only a subset of their total patient population or may not adopt our products at all. Further, if ~~we~~ **procedures in which our products are unable to obtain or used do not receive and** maintain favorable third- party reimbursement coverage ~~of,~~ **particularly as compared to** procedures in which ~~our competitive~~ products are used, ~~particularly as compared to competitive products,~~ adoption of our products by ECPs and patients will suffer. **Similarly, if competitive products are priced significantly lower than our products or are considered to offer greater ease of use than our products, then ECPs may elect to use these competitive products, even if we believe that other considerations such as clinical efficacy favor our products. Also, if ECPs prioritize alternative ophthalmic procedures to the procedures in which our products are currently used, whether for clinical, reimbursement or other reasons, then there will be less available surgical capacity to perform procedures using our products.** We cannot assure you that our products will achieve broad market acceptance among payors, physicians and patients. Any failure of our products to satisfy demand or to achieve meaningful market acceptance and penetration will harm our future prospects and have a material adverse effect on our business, financial condition and results of operations. We

may not be able to incrementally secure or maintain adequate levels of third- party coverage and reimbursement for procedures in which our Surgical Glaucoma or Dry Eye products are used, and third parties may rescind or modify their coverage or delay payments related to these products, which will **would** adversely affect our business, financial condition, and results of operations. We derive revenue from sales of OMNI and SION to physicians, ASCs, and HOPDs, which typically bill all or a portion of the costs and fees associated with our products to various third- party payors, including Medicare, Medicaid, **foreign governmental payors**, private commercial insurance companies, health maintenance organizations and other healthcare- related organizations, and then bill patients for any applicable deductibles or co- payments. **Historically, we have sold our TearCare system components to customers on a limited cash- pay basis to drive customer awareness and acceptance in advance of reimbursement. We are pursuing reimbursement coverage for TearCare so ECPs can bill all or a portion of the costs and fees associated with this product to various third- party payors, including Medicare, Medicaid, private commercial insurance companies, health maintenance organizations, and other healthcare- related organizations, and then bill patients for any applicable deductibles or co- payments. ECPs have begun to have individual claims- made reimbursements for these services. As a result, access to adequate coverage and reimbursement for procedures in which our Surgical Glaucoma and Dry Eye products are used by third- party payors is essential to their broad acceptance and adoption by patients and ECPs.** Internationally, medical reimbursement systems vary significantly from country to country, with some countries limiting medical centers' spending through fixed budgets, regardless of levels of patient treatment, and other countries requiring application for, and approval of, government or third- party reimbursement. **As a For example, in the third quarter of 2024, certain reimbursement advice published by the United Kingdom' s National Health Service has rendered untenable the code that had previously been relied upon as applicable to procedures performed with our OMNI technology. This shift has result- resulted in reduced -access to adequate coverage and reimbursement for OMNI procedures in- as compared to historic reimbursement levels, which in turn could materially affect our business, results of operations and prospects in Surgical Glaucoma products are used by third- party payors is essential to their- the United Kingdom acceptance and adoption by patients and ECPs.** These third- party payors continually review new and existing technologies for possible coverage and can deny or reverse coverage for new or existing products and procedures, and there can be no assurance that third- party payor policies provide coverage, or will continue to provide coverage, for procedures in which OMNI or our other products are used. For example, **in the U. S.,** CMS, MACs or commercial payors could **require or** issue coverage policies that could restrict or eliminate coverage for the patient populations eligible for treatment with our products or that are otherwise unfavorable to our business. In June 2023, for instance, five MACs issued **published** the **Draft Prior** LCDs, which ~~proposed to establish or update Medicare coverage policies for MIGS. The Draft LCDs~~ proposed to identify certain non-implantable MIGS procedures as investigational and not reasonable and necessary in the jurisdictions where these MACS administer Medicare Part B benefits, including but not limited to adult canaloplasty in combination with trabeculotomy ab interno, a procedure performed with OMNI and for which it is indicated. The **Draft Prior** LCDs may also have categorized our SION technology as investigational and thus non- covered with respect to goniotomy procedures. **The Draft Although the Prior LCDs , as amended, were published as "final" during the fourth quarter ended December 31, 2023 before being- withdrawn in late December 2023 , prior to becoming- and replaced with the now- effective . The states served by Final LCDs which allow for continued coverage of standalone canaloplasty and goniotomy procedures performed with our OMNI and SION technologies in these five MACs- MAC accounted- jurisdictions, in the future, governmental for- or private payors may issue** approximately 63 % of our total Surgical Glaucoma revenue in 2022. Although the Draft LCDs, as amended, were withdrawn prior to becoming effective and thus did not impact the Medicare coverage policies impacting our **or guidance products, these five MACs, or other MACs, may issue updated or new local coverage determinations or other coverage policies or determinations in the future- that may establish a policy of Medicare- non- coverage, or- materially restricted-- restrict coverage, or reduce reimbursement levels** for one or more of **procedures involving** our products. Any such policies or, determinations **or guidance** could in turn influence coverage determinations by other third- party payors. **In addition, each of the Final LCDs adopted a non- coverage policy when an aqueous shunt or stent procedure is performed with another surgical MIGS procedure, such as canaloplasty or goniotomy, at the same time in the same patient eye. We estimate that approximately 15 % of total MIGS codes billed in the nine months ended September 30, 2024 were done in combination with another MIGS code and expect the non- coverage determination for multiple MIGS procedures will reduce overall MIGS claims volumes, which may adversely impact our business, revenue and prospects.** If we are not successful in reversing any proposed non- coverage policies, or if third- party payors that currently cover or reimburse procedures in which our products are used reverse or limit their coverage in the future, or if other third- party payors issue similar policies, it would have a material adverse effect on our business, financial condition, and results of operations. **Moreover, any uncertainty with respect to coverage or coding may impact management' s ability to accurately forecast results.** We also derive revenue from sales of TearCare to ECPs and eye care clinics, which bill all or a portion of the costs and fees associated with treatments and products to patients or, on a limited basis, to third- party payors. We believe that access to adequate coverage and reimbursement for procedures in which TearCare is used by third- party payors is important to the broad acceptance and adoption of TearCare. Currently, no MACs have formal policies establishing coverage for the TearCare procedure; however, MACs from time to time may include, and we are currently aware of three MACs that have included, low payment rates for TearCare procedures in their fee schedules that, if not removed or increased to what we believe is an appropriate reimbursement level, could adversely impact our efforts to achieve reimbursement for TearCare that is sufficient to support its broad commercial growth and adoption. Further, commercial payors may from time to time make " no coverage " or similar determinations with respect to our TearCare product that could hamper our efforts to drive broad commercial adoption of TearCare. **These determinations could be made with reference to a variety of factors, including our legacy TearCare component pricing practices, perceived clinical efficacy compared to other treatment alternatives and similar**

**considerations.** We are pursuing a comprehensive long- term market development and patient access plan for TearCare and focusing our efforts on partnering with key strategic accounts to pursue prior authorization approvals and reimbursement claims for procedures in which TearCare is used, but there is no guarantee that we will be successful. **This strategy is dependent, among other things, on ECPs' willingness to submit, and success in submitting, TearCare procedure claims with invoicing that supports appropriate reimbursement, as well as their success in appealing these claims with payors as needed.** If patients are not willing to pay for procedures in which TearCare is used, or if third- party payors continue to ~~refuse~~ **decline** to provide coverage and reimbursement, or provide insufficient levels of coverage and reimbursement, it ~~could~~ **would** have a negative impact on ECPs' adoption of TearCare and sales of TearCare, which could adversely affect our business **and results of operations**. Third- party payors, whether foreign or domestic, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In addition, no uniform policy of coverage and reimbursement for procedures using our products exists among third- party payors. Therefore, coverage and reimbursement for procedures using our products can differ significantly from payor to payor. Obtaining and maintaining coverage and reimbursement can be a time- consuming process that could require us to provide supporting scientific, clinical and cost-effectiveness data for the use of our products. We may not be able to provide data sufficient to satisfy governmental and third-party payors that procedures using our products should be covered and reimbursed. With regard to our international sales efforts, even if and as we succeed in bringing our products to market in foreign countries, uncertainties regarding future healthcare policy, legislation and regulation, as well as private market practices, could affect our ability to sell our products in commercially acceptable quantities at acceptable prices. In the United States, the AMA generally assigns specific billing codes for procedures under a coding system known as Current Procedure Terminology, ~~or~~ **("CPT")**, which surgeons use to bill third- party payors and receive reimbursement. Once a permanent CPT code (" Category I CPT code") is established for a service, CMS establishes payment levels under Medicare, while other payors may establish rates and coverage rules independently. Canaloplasty followed by trabeculotomy procedures using OMNI are typically billed using the Category I CPT code 66174, which describes canaloplasty. Coding for ophthalmic surgical procedures is complex, and changes to the codes used to report services performed with our products may result in significant changes in reimbursement, which could negatively impact our revenue. For example, in 2021 the RVS Update Committee (" RUC") of the AMA reevaluated the physician work associated with CPT code 66174. As a result of this RUC review and further conversion factor reductions, CMS reduced the Medicare Physician Fee Schedule amount associated with this service from approximately \$ 950 in 2021, to \$ 761 in 2022, to \$ 622 in 2023, ~~and~~ to \$ 608 in 2024, **and to \$ 600 in 2025**. Many of the factors considered by the RUC, and many of the factors evaluated by payors and other payor advisory bodies, in assessing the costs of, and payments with respect to, procedures associated with our products are not within our control. For instance, with respect to determination of hospital, ASC and physician payment associated with CPT code 66174, evaluation of procedure costs may include the costs of competitive products that are priced well below our products ~~and~~ may also reflect reduced physician work with respect to procedures that are less comprehensive than the procedures performed with OMNI. This, in turn, may adversely affect our ability to obtain and maintain adequate and appropriate levels of reimbursement for the comprehensive procedure enabled by our OMNI technology, which could adversely affect our financial condition and results of operations. The AMA maintains a subset of temporary CPT codes (" Category III CPT codes") used for new and emerging technologies. For example, TearCare was assigned a Category III CPT code effective beginning January 1, 2020. Coverage for Category III CPT codes is often limited. Medicare does not generally establish national payment rates for Category III CPT codes on the Medicare Physician Fee Schedule (" MPFS"). As a result, individual Medicare contractors and private payors may establish their own payment rates for services described by Category III CPT codes, as has been the case with TearCare, which payment rates are subject to change, may be variable across Medicare contractors, may be materially below the final reimbursement rates that we are currently targeting, or may determine not to reimburse services described by Category III CPT codes. **In 2024, various commercial insurance carriers paid small number of TearCare claims on a case- by- case basis, but these reimbursement amounts varied materially and no formal coverage policies were established.** Further, we believe that future coverage and reimbursement may be subject to increased restrictions, such as additional prior authorization requirements, both in the United States and in international markets. Third-party coverage and reimbursement for procedures using our products or any of our products in development for which we may receive regulatory clearance, certification or approval may not be available or adequate in either the United States or international markets. Further, other devices or treatments that compete with our products may be more widely covered or subject to different co- pay policies and requirements, which could impact demand for our products. If hospital, surgical center, ECP and / or patient demand for our products is adversely affected by third- party reimbursement policies and decisions, it could have a material adverse effect on our business, financial condition and results of operations. The market for our products is highly competitive **and could grow increasingly competitive as new glaucoma and dry eye technologies are introduced in our industry**. Our competitors may have longer operating histories, more established products and **distribution networks, lower product prices or** greater resources than we do, and may be able to develop or market treatments that are safer, more effective or gain greater acceptance in the marketplace than our products. The medical device industry is highly competitive, subject to rapid change and significantly affected by the introduction of new products and technologies and the other activities of industry participants. We compete, or plan to compete, with medical device and pharmaceutical companies that develop and commercialize products for eye conditions, including Glaukos, AbbVie ~~Allergan~~, Novartis, Alcon, Johnson & Johnson, Nova Eye Medical, and New World Medical. These companies, or other entrants into the market, may have or develop competing technologies, other products that are in or that enter clinical trials, new devices or additional indications for existing devices that could demonstrate better safety, effectiveness, clinical results, **ease of use**, lower costs or greater ECP and market acceptance than our products. For example, **there has been a recent increase in ECP trialing of alternative products that are offered at lower prices than OMNI, which we believe has had a near- term adverse impact on utilization of OMNI. Though in the**

past we have viewed such ECP trialing and use of alternative devices as temporary and not material to the continued growth of OMNI sales, we cannot guarantee that OMNI utilization will normalize relative to historical periods or grow in the future pursuant to our strategic initiatives. Sustained increases in ECP use of alternative MIGS devices could result in reduced OMNI sales and revenue growth or even loss of market share, which would adversely impact our competitive position, business and results of operations. In addition, despite what we believe to be the strong safety profile of our products for their intended uses, patients may experience adverse events following canaloplasty or trabeculotomy with OMNI, including, but not limited to, hyphema, mild anterior chamber inflammation and spikes in intraocular pressure. Similarly, patients may experience adverse events following use of the SION surgical instrument, including anterior chamber shallowing and prolonged, or persistent intraocular inflammation, or application of localized heat with TearCare, including discomfort, pain or erythema of the eyelids. Any failure to meet customer and patient expectations and any resulting negative perceptions or publicity could harm our reputation and future sales and therefore adversely affect our business, financial condition and results of operations. We Furthermore, we compete, or may compete in the future, against other companies which have longer, more established operating histories and significantly greater financial, technical, marketing, sales, distribution and other resources, which may prevent us from achieving significant market penetration or improved operating results. These companies may enjoy several competitive advantages, including: • Established treatment patterns pursuant to which prescription medications, traditional glaucoma surgery or more conventional MIGS procedures are generally first-line therapies for the treatment of glaucoma and eye drops or warm-compresses are first-line therapies for the treatment of MGD; • Established relationships with ECPs who are familiar with their products and procedures for the treatment of glaucoma or MGD; • Established relationships with key stakeholders, including hospital outpatient departments, ambulatory surgery centers, optometrists and ophthalmologists, general practitioners and administrators; • Greater financial and human capital resources; • Additional lines of products, and the ability to offer rebates or bundle products to offer greater discounts or incentives to gain a competitive advantage; and • Established sales, marketing and worldwide distribution networks. One of the major hurdles to adoption of our products will be overcoming established treatment patterns, which will require educating ECPs and supportive clinical data. However For instance, we believe strongly in the efficacy of OMNI in Standalone Procedures, but concerted ongoing ECP education on the benefits of this approach is needed to alter surgeon perceptions and to convince them of the benefits of performing a MIGS procedure other than in conjunction with cataract surgery. because Because of the size of the market opportunity for devices used in procedures to address MIGS and MGD, we believe current and potential future competitors will dedicate significant resources to aggressively promote their products or develop new products or treatments, such as Glaukos' iStent® technologies, iPRIME™ Viscodelivery System, and iDose® TR intraocular implant; Alcon's Hydrus® MicroStent; and various canaloplasty devices including Nova Eye's iTrack™ Advance and New World's Streamline® and Via360™ surgical systems. Whereas we have historically competed in the MIGS marketplace against stent technologies, such as the iStent family of products and the Hydrus® MicroStent, we are facing increasing competition from other microcatheter systems marketed for canaloplasty and goniotomy, and we expect this competition to increase in the future. Further, new treatment options may be developed that could compete more effectively with our products due to the prevalence of glaucoma and MGD, and the research and technological progress that exist within the market. Also, even if competitor products do not have indications for use or clinical data that are comparable to ours, ECPs can still choose these competitor products for a variety of reasons, including those discussed set forth above. For instance, competitors may seek to price their products significantly below ours, or bundle their products in a manner that is attractive to ECPs, which may result in decreased use or adoption of our products by ECPs, notwithstanding that our products may offer superior safety and efficacy. Adoption of our products depends upon appropriate physician training, practice and patient selection. The success of our products depends in part on the skill of the ECPs utilizing and administering products to treat patients and on their adherence to our stated patient selection criteria and the proper techniques that we provide in training sessions. We train ECPs on the correct use of OMNI and SION. However, ECPs rely on their previous medical training and experience when performing ophthalmic surgical procedures and may deviate from the techniques we provide in training sessions. Furthermore, we cannot guarantee that all such ECPs who use OMNI and SION will have the necessary skills or experience to safely and effectively perform these procedures. We have experienced recent declines in the number of ECPs undergoing training on the use of OMNI, which means that fewer physicians than we had anticipated are being trained regarding appropriate patient selection and OMNI surgical techniques. If we are not able to stabilize and return our physician training rates to a robust growth trajectory, our business could suffer. Similarly, though we train ECPs to ensure correct use of TearCare, including placement of SmartLids on patients' eyelids and expression of the patients' meibomian glands, we cannot guarantee that all such ECPs will have the necessary skills or experience to safely and effectively use these devices. If ECPs utilize our products in a manner that is inconsistent with our labeled indications or with components that are not part of our products, the patient outcomes may be negative. This could negatively impact the perception of patient benefits and safety associated with our products and limit their adoption, which would have a material adverse effect on our business, financial condition and results of operations. Development of our products for expanded indications depends upon positive clinical data, and the safety and efficacy of our products for the intended uses for which we intend to seek clearance, certification or approval are not yet supported by long-term clinical data, which could delay or prevent clearance by the FDA (or other foreign authorities or notified bodies) or limit sales if cleared, certified or approved and our products might therefore prove to be less safe or effective than initially thought. The products that we market in the United States are regulated as medical devices by the FDA. OMNI and TearCare have received premarket clearance under Section 510(k) of the Federal Food, Drug, and Cosmetic Act ("FDCA"). In the 510(k) clearance process, before a device may be marketed the FDA must determine that a proposed device is "substantially equivalent" to a legally marketed "predicate" device, which includes a device that has been previously cleared through the 510(k) process, a device that was legally

marketed prior to May 28, 1976 (pre-amendments device), a device that was originally on the U.S. market pursuant to an approved PMA application and later down-classified, or a 510 (k)- exempt device. This process is typically shorter and generally requires the submission of less supporting documentation than the FDA's PMA process and does not always require long-term clinical studies. SION is registered with the FDA as a Class I 510 (k) exempt device. In the European Economic Area ("EEA"), a single regulatory approval process exists, and conformity with its requirements is required by its member states and countries to affix a European Conformity ("CE") mark to our medical devices, without which they cannot be marketed or sold in the EEA. We originally received CE marking for OMNI in 2017. To obtain a CE mark, defined products must meet minimum standards of performance, safety, and quality, and then, according to their classification, undergo a conformity assessment procedure. Except for low-risk medical devices, a conformity assessment procedure requires the intervention of a third-party organization designated by the competent authorities of an EEA country, known as a Notified Body. The competent authorities of the EU countries separately regulate the clinical research for medical devices and the market surveillance of products once they are placed on the market. A revised regulation, the EU MDR was published by the EU in 2017 and became effective on May 26, 2021. Medical devices marketed in the EEA require certification according to these requirements. The EU MDR includes significant additional premarket and post-market requirements, and manufacturers of medical devices are required by the EU MDR to collect post-marketing clinical data in relation to their CE marked/Marked medical devices. Post-market surveillance includes the conduct of post-market clinical follow-up studies permitting manufacturers to gather information concerning quality, safety or performance of medical devices after they have been placed on the market in the EU. All information collected as part of the post-market surveillance process must be reviewed, investigated and analyzed on a regular basis in order to determine whether trending conclusions can be made concerning the safety or performance of the medical device and decisions must be taken in relation to the continued marketing of medical devices currently on the market. We expect to incur ongoing costs to comply with these post-market clinical obligations in EU markets for so long as we continue to market and sell products in those markets, as well as in the EEA markets. We are conducting and intend to continue conducting additional clinical trials, including clinical trials to increase clinical evidence for OMNI and develop TearCare for expanded indications. In addition, our competitors and other third parties may conduct clinical trials of our products without our participation. If future patient studies or clinical testing do not support our belief that our products are advantageous for their intended uses, market acceptance of our products could fail to increase or could decrease and our business could be harmed. Moreover, if future results and experience by us, our competitors or other third parties, indicate that our products cause unexpected or serious complications or other unforeseen negative effects, we could be subject to mandatory or voluntary product recalls, suspension or withdrawal of FDA, European Commission or other governmental clearance or approval or certifications, significant legal liability or harm to our business reputation, which could have a material adverse effect on our business, financial condition and results of operations. We believe that ECPs will compare the rates of long-term clinical outcomes for procedures using our products for their authorized uses against alternative procedures and treatment options. If we choose to, or are required to, conduct additional studies, equivocal or unfavorable results from such studies or experience could lead to a reduction in the rate of coverage and reimbursement by both public and private third-party payors for procedures that are performed with our products, slow market adoption of. We are conducting and intend to continue conducting additional clinical trials or investigations to develop our devices for expanded indications, including clinical trials to increase clinical evidence for OMNI and develop TearCare for expanded indications. Historical clinical results, including interim results, are not necessarily predictive of future clinical results, and we cannot assure you that the results reported in these studies will be consistent with, or better than, currently available clinical data. In addition, our competitors and other third parties may conduct clinical trials of our products without our participation. If future patient studies or clinical testing do not support our belief that our products are advantageous for their intended uses, market acceptance of our products could fail to increase or could decrease and our business could be harmed. Moreover, the outcomes and updates resulting from these studies, including interim results, may be compared to the results of other products and treatments for these same patient populations, and if the comparisons are not favorable, it may limit the ability to obtain clearance, certification or approval of the devices for the expanded indications for which we intend to seek clearance, certification or approval, as well as adoption of our products for their current authorized uses. In addition, our competitors and other third parties may also conduct clinical trials or investigations of our products without our participation. Unfavorable unfavorable or inconsistent clinical data from existing or future clinical trials or investigations conducted by us, our competitors or other third parties, the interpretation of our clinical data or findings of new or more frequent adverse events, could subject us to mandatory or voluntary product recalls, suspension or withdrawal of FDA or other clearance, certification or approval, significant legal liability or harm to our business reputation and could have a material adverse effect on our business, financial condition and results of operations. Moreover, if future results and experience with our products by us, our competitors or other third parties, indicate that our products cause unexpected or serious complications or other unforeseen negative effects, we could be subject to mandatory or voluntary product recalls, suspension or withdrawal of FDA, European Commission or other governmental clearance or approval or certifications, significant legal liability or harm to our business reputation, which could have a material adverse effect on our business, financial condition and results of operations. Our products will be adopted and compete, in part, based on long-term data regarding patient outcomes and the risk of our products relative to other treatment options. The long-term clinical outcomes of the use of our products for their FDA-cleared uses are not known and, due to the novelty of our products, there is no long-term data regarding patient outcomes beyond our clinical trials or investigations. The results of short-term clinical experience of our products do not necessarily predict long-term clinical outcomes. We believe that ECPs and third-party payors will compare the rates of long-term clinical outcomes for procedures using our products for their authorized uses against alternative procedures and treatment options. We also believe that ECPs and payors will give added weight to outcomes data derived from randomized

controlled trials, which are considered to be the “gold standard” for proving efficacy of a treatment or intervention; while our TearCare SAHARA trial is an RCT, we have not completed an RCT for our OMNI technology, which may prove to be a competitive disadvantage as compared to competitive products with positive RCT data. If the nature and quality of the long- term data does not meet ECPs’ expectations, or if the long- term data indicates that our products are not as safe or effective as other treatment options or as current short- term data would suggest, physicians may recommend alternative treatments for their patients and our products may not become widely adopted, which will negatively affect our business, financial condition and results of operations. Further, if we choose to, or are required to, conduct additional studies, equivocal or unfavorable results from such studies or experience could lead to a reduction in the rate of coverage and reimbursement by both public and private third- party payors for procedures that are performed with our products, slow market adoption of our products by ECPs, significantly reduce our ability to achieve expected revenue and prevent us from being profitable. We rely on third parties to manufacture and supply our products, many. A number of which these suppliers are single- source providers, and we certain key suppliers are located outside of the U. S. We are subject to numerous risks relating to our reliance on such third parties. Our business strategy depends on our ability to manufacture our current and future products in sufficient quantities, on terms that are acceptable to us, and on a timely basis to meet customer demand, while adhering to product quality standards, complying with regulatory quality system requirements, and managing manufacturing costs. We do not have any internal manufacturing capabilities or infrastructure and rely on a limited number of third- party manufacturers, many of which are single -source suppliers, and certain of which are located outside the U. S., for a portion of the components, accessories, materials and assembly that we utilize in our products. These items are critical, and, for certain items, there are relatively few or no readily available alternative sources of supply. These single -source suppliers may be unwilling or unable to supply these items reliably and at the levels we anticipate or that are required by the market. For or example we may be unable to purchase these items on terms that are acceptable to us, or at all. Our ability to obtain products and components in sufficient quantities from these suppliers may be limited for several reasons, including their financial difficulties, damage to their manufacturing equipment or facilities, inability to obtain components, problems with their own suppliers, our relative importance as a customer to each manufacturer. In addition, geopolitical tensions between China and Taiwan or China and the United States could cause geopolitical and economic unrest that could adversely affect our business. Further, the imposition of tariffs by the United States on imported Chinese goods and implementation of retaliatory tariffs by China will increase the cost of our products and product components, and adversely affect our business operations and financial condition. A significant portion of our OMNI and SION products, and certain of our TearCare system components, are primarily produced and assembled by a single Taiwan- based manufacturer in China, though and there is currently significant uncertainty about the relationship between the U. S. and China with respect to trade policies, government regulations, and tariffs, and such uncertainty could continue in future periods. With respect to tariffs, in February 2025, the United States imposed a 10 % tariff on all Chinese imports, which tariff was increased to 20 % in early March 2025. This 20 % tariff applies to our products and product components imported from China. China has responded with certain retaliatory tariffs on select U. S. agricultural products, natural resources and machinery and has indicated an intent to implement additional retaliatory tariffs. The 20 % tariff will have a negative impact on our gross margins for as long as it remains in effect, as the large majority of our products are manufactured on our behalf in China. Any further escalation in the use of retaliatory trade tariffs between the U. S. and China could cause a further significant increase in the cost of our products and the components for our products, which could materially and adversely affect our business, results of operations, and financial condition. To mitigate these risks, we have also contracted with a U. S.- based manufacturer to produce and assemble OMNI products, and. We also have supply arrangements with other suppliers to produce for the production of certain TearCare system components; however, at least in the near- term, a large majority of our products will continue to be manufactured in China. In March 2025, the United States also imposed 25 % tariffs on good imported from Canada and Mexico, and retaliatory tariffs are expected. While the tariffs imposed on Canadian and Mexican goods do not currently materially and adversely affect our supply chain and related costs, the economic disruption that may be caused by these tariffs could adversely affect our business, There is also the risk that new tariffs could be implemented with other U. S. trading partners, including the European Union. Further, these tariff disputes may cause supply chain disruptions and will also likely increase the shipping and other logistical costs involved in importing our products and product components, which would further adversely impact our gross margins. For our business strategy to be successful, our suppliers must be able to provide us with products in sufficient quantities, in compliance with regulatory requirements, including the FDA’s Quality System Regulation (“QSR”) or other applicable laws or regulations enforced by the FDA, state and foreign regulatory authorities, in accordance with agreed- upon specifications, at acceptable costs and on a timely basis. While, and current and future tariffs our or suppliers have generally met trade wars could materially and adversely impact our demand requirements on a timely basis in the past, their ability and willingness to continue to do so going forward may be limited for several reasons, including financial difficulties, damage to their manufacturing equipment or facilities, inability to obtain components, problems with their own suppliers, our relative importance as a customer to each manufacturer, or geopolitical or trade tensions between China and Taiwan or China and the United States. If we are unable to meet our demand requirements on a timely basis, we may not have enough a sufficient number of our products available for delivery to support ECPs that utilize our products as part of their treatment. For instance, if our supply of OMNI, SION, and certain TearCare products from our manufacturer in China was interrupted or suspended for any significant period, or tariffs that materially affect our products or components were imposed at a significantly high enough level by the United States, we may be unable to meet customer demand for our OMNI, SION, and TearCare products during that time. Any shortfall in the supply of products may result in lower adoption and usage rates of our products and have a material adverse effect on our

business, financial condition and results of operations. The process of identifying and qualifying alternative manufacturing facilities for any other reason could be time-consuming and expensive, may result in interruptions in our operations and product delivery, and could affect the performance specifications of our products. We cannot assure you that we will be able to identify and engage alternative contract manufacturers on terms similar to our current arrangements, or without delay. Furthermore, our contract manufacturers could require that their manufacture and assembly of our products be moved to another of their production facilities, **which would require us to complete another re-qualification process at the new facility, with no guarantee that the new facility would pass our quality audit**. The occurrence of any of these events could harm our ability to meet the demand for our products in a timely and cost-effective manner, which could have a material adverse effect on our business, financial condition and results of operations. We are also subject to numerous other risks relating to our reliance on third parties, including potential quality issues at our suppliers' manufacturing facilities with respect to our products **or logistics operations**, and our potential inability to renew or extend contracts and arrangements with such third parties or renew any such contracts or arrangements on terms that are favorable to us, and price fluctuations due to a lack of long-term supply agreements with certain of our suppliers. These risks are likely to be exacerbated by our limited experience with our current products and manufacturing processes. ~~As if~~ demand for our products increases, we will have to invest additional resources to manage the manufacturing process. If we fail to secure increased production capacity efficiently, we may not be able to fill customer orders on a timely basis, our sales may not increase in line with our expectations and our operating margins could fluctuate or decline. In addition, the manufacture of future products may require modification of the current production processes or unique production processes, the identification of new suppliers for specific components, sub-assemblies and materials or the development of new manufacturing technologies. It may not be possible for our current third-party manufacturers to produce these products at a cost or in quantities sufficient to make these products commercially viable or to maintain current operating margins, all of which could have a material adverse effect on our business, financial condition and results of operations. Uncertainty in current global economic and political conditions could adversely affect our ability to predict product demand and **costs and** impact our financial results, and makes it more likely that our ~~actual~~ results ~~could~~ **will** differ materially from expectations. Our operations and performance depend in part on worldwide economic and political conditions. Certain of the jurisdictions in which our products are **manufactured or** sold have experienced and could continue to experience unfavorable general economic conditions, such as a recession or economic slowdown, including as a result of political instability and military hostilities in certain geographies, **trade disputes**, concerns over the potential downgrade of U. S. sovereign debt and continued sovereign debt, monetary and financial uncertainties in Europe and other geographies, and domestic and global inflationary trends, any of which could negatively affect the affordability of, and consumer demand for, our products. Under difficult economic conditions, consumers may seek to modify spending priorities and reduce discretionary spending by delaying purchases of our products, which could reduce our profitability and could negatively affect our overall financial performance. Other financial uncertainties in our major markets and unstable political conditions in certain markets, including civil unrest and governmental changes, could undermine global consumer confidence and reduce consumers' purchasing power, thereby reducing demand for our products. We cannot predict the reoccurrence of any economic slowdown or the strength or sustainability of the economic recovery, worldwide, in the United States, or in our industry. These and other economic factors could have a material adverse effect on our business, financial condition, and results of operations. ~~The safety and efficacy of some of..... marketed or sold in the EEA. We originally received CE marking for OMNI in..... and selling, our products and we may provide inadequate training, fail to increase our~~ **maintain effective** sales and marketing capabilities or fail to develop broad brand awareness in a cost-effective manner. ~~We have limited experience marketing and selling our products.~~ In the United States, we currently rely on our direct sales force and any failure to maintain and grow our sales force could harm our business. In Europe, we currently rely on a combination of direct sales personnel and independent distributors to sell our OMNI product, and we intend to grow our international sales through a combination of direct and distributor sales. In order to generate future growth, we plan to continue to ~~significantly~~ expand and leverage our commercial infrastructure to increase our customer base and increase adoption by existing customers to drive our growth. Identifying and recruiting qualified sales and marketing professionals and training them on our products, on applicable federal and state laws and regulations and on our internal policies and procedures requires significant time, expense and attention. Our direct sales force may subject us to higher fixed costs than those of companies with competing products or treatments that rely more heavily on independent third parties, placing us at a competitive disadvantage. Our business may be harmed if our efforts to expand and train our sales force and distribution chain do not generate a corresponding increase in product sales and revenue, and our higher fixed costs may slow our ability to reduce costs in the face of a sudden decline in demand for our products. Any failure to hire, develop and retain effective sales personnel, to identify and train distributors and independent sales representatives in targeted international territories, to achieve desired productivity levels in a reasonable period of time or timely reduce fixed costs, could have a material adverse effect on our business, financial condition and results of operations. Our ability to increase our customer base and achieve broader market acceptance of our products will depend, to a significant extent, on our ability to **maintain and** expand ~~our~~ **effective** sales and marketing and educational efforts. We plan to dedicate significant resources to our sales and marketing initiatives, and educational programs through leading medical publications and at large industry and scientific meetings, both directly and through key opinion leaders. Our business may be harmed if these efforts and expenditures do not generate a corresponding increase in revenue. **Further, our sales results are dependent in large part on the efforts and effectiveness of our sales and marketing personnel, and underperformance in these functions, whether through sub-optimal marketing campaigns, problematic sales representative performance or otherwise, may adversely impact our product sales and reputation.** In addition, we believe that developing and maintaining broad awareness of our brand in a cost-effective manner is critical to achieving broad acceptance of our products and reaching new ECPs and patients. Brand promotion activities may not impact ECP or patient awareness or increase revenue, and even if they do, any increase in revenue may not offset the costs and

expenses we incur in building our brand. If we fail to successfully promote, maintain and protect our brand, we may fail to attract or retain the market acceptance necessary to realize a sufficient return on our brand building efforts, or to achieve the level of brand awareness that is an important factor for the broad adoption of our products. **We have limited experience in training ECPs on, and marketing and selling, our TearCare products, which could adversely affect customer perceptions and adoption of our TearCare products. We have sold our TearCare products on a limited basis since 2019, initially targeting the cash pay market. We do not have experience selling TearCare on a national basis with a large sales force and concerted sales initiatives. Thus, the number of eligible ECPs trained on TearCare remains relatively modest. If we are unable to expand and enhance our training efforts to target and effectively train existing and new ECP customers on our TearCare products, adoption of TearCare will be adversely impacted. Further, we have limited experience with marketing TearCare. Our marketing and sales campaigns have been limited in scope and have continued to evolve as we better understand the needs and preferences and knowledge gaps of our existing and prospective TearCare customers, and as we expand our library of clinical evidence supporting the TearCare procedure's safety and efficacy, but these efforts may not be successful in driving TearCare adoption. Further, in parallel with publication of the positive results of our SAHARA RCT, we have commenced a comprehensive effort to establish sustainable and equitable third- party reimbursement of the TearCare procedure. If we are successful in obtaining favorable payment decisions, whether under or outside of formal coverage policies, we expect that demand for our TearCare products will escalate. Our ability to maintain this demand will depend in part on our ability to timely and effectively train new ECP customers. Further, we do not have experience marketing and selling TearCare for use in procedures that are reimbursed by Medicare and other governmental payers. If we are unable to effectively train our personnel on, and to otherwise comply with, laws, regulations and guidelines applicable to federally reimbursed products, including regulations pertaining to kickbacks, false claims, interactions with ECPs and direct- to- consumer advertising, our business may suffer.** Our products are designed to be used in a limited number of procedures, and there is a limited total addressable market for our products. The sizes of the potential and actual markets for our current products have not been established with precision and may be smaller than we estimate, **which could adversely impact our results of operations and our growth expectations**. We currently market our OMNI device for use in the U. S. and select European geographies for canaloplasty followed by trabeculotomy to reduce intraocular pressure in adult patients with POAG. **Primary open- angle glaucoma (" POAG ")** is the most prevalent form of glaucoma and affects ~~approximately 4.5 million people in the United States and almost 70-83 million people worldwide~~. **We estimate there are over 4 million people in the United States diagnosed with glaucoma, of which a majority have POAG**. We currently market our SION device in the United States for use in ophthalmic surgical procedures to excise trabecular meshwork. We currently market TearCare in the United States for the application of localized heat therapy in adult patients with evaporative DED due to MGD, when used in conjunction with manual expression of the meibomian glands. There are an estimated 777 million people globally and 39 million people in the U. S. who suffer from DED. DED is the most common reason for a patient visit to an eye doctor, yet of the estimated 39 million people with DED in the U. S., only approximately ~~17~~ **19.84** million have been diagnosed with DED. Studies have shown that evaporative DED resulting from MGD is associated with up to 86 % of all DED cases. The total addressable markets for our products are subject to change and may be limited by various factors, including FDA or other regulatory restrictions or more narrowly defined indications, ECP practice preferences, and governmental and private payor reimbursement practices, any of which could have a material adverse effect on our business, financial condition and results of operations. Further, our estimates of the total addressable markets for our products are based on a number of internal and third- party assumptions and estimates, including, without limitation, the number of patients with POAG and MGD, and the assumed prices at which we can sell our products in markets that have not yet been fully established. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual total addressable market for our current products may prove to be incorrect. If the actual number of patients who would benefit from our products or the price at which we can sell our products is smaller than we have estimated, it may impair our sales growth and negatively affect our business, financial condition and results of operations. Our results of operations could be materially harmed if we are unable to accurately forecast customer demand for our products and manage our inventory. While we seek to maintain sufficient levels of inventory ~~in order~~ to protect ourselves from supply interruptions, we keep limited components, sub- assemblies, materials and finished products on hand. To ensure adequate inventory supply and manage our operations with our third- party suppliers, we forecast anticipated materials requirements and demand for our products in order to predict inventory needs and then place orders with our suppliers based on these predictions. Our ability to accurately forecast demand for our products could be negatively affected by many factors, including our limited historical commercial experience, rapid growth, material changes in product reimbursement, failure to accurately manage our expansion strategy, product introductions by competitors, **an unanticipated increase increases or decrease decreases** in customer demand for our products, our failure to accurately forecast customer acceptance and adoption of new products, unanticipated changes in general market conditions or regulatory matters and weakening of economic conditions or consumer confidence in future economic conditions. Inventory levels in excess of customer demand may result in a portion of our inventory becoming obsolete or expiring, as well as inventory write- downs or write- offs, which would negatively impact our gross margins and impair the strength of our brand. Conversely, if we underestimate customer demand for our products or our own requirements for components, sub- assemblies and materials, our third- party suppliers may not be able to deliver components, sub- assemblies and materials to meet our requirements, which could result in inadequate inventory levels or interruptions, delays or cancellations of deliveries to our customers, any of which would damage our reputation, customer relationships and business. In addition, several components, sub- assemblies and materials incorporated into our products require lengthy order lead times, and additional supplies or materials or additional

manufacturing capacity may not be available when required on terms that are acceptable to us, or at all, and our third-party suppliers may not be able to allocate sufficient capacity in order to meet our increased requirements, any of which could have an adverse effect on our ability to meet customer demand for our products and our business, financial condition and results of operations. **Our quarterly and annual results may fluctuate..... be unable to grow our business.** The markets for our products are highly competitive, dynamic, and marked by rapid and substantial technological development and product innovation. New entrants or existing competitors could attempt to develop products that compete directly with ours. Demand for our products and future related products could be diminished by equivalent or superior products and technologies offered by competitors, **by competitive products offered at lower prices,** or by material changes in reimbursement affecting our products. **Our continued growth will be driven in part by capture of market share from our competitors through a combination of factors, including competitive positioning, increasing ECP acceptance and use of OMNI for Standalone Procedures, re-engagement of customer accounts that decrease or cease utilization of our products, engagement of new customer accounts, and robust ECP training on our products to drive product awareness and acceptance.** If we are unable to **execute on these initiatives, our ability to increase our market share may be compromised, which would adversely affect our business and results of operations. Also, if we are unable to** innovate successfully **or offer our products at prices that are deemed competitive by our customers,** our products could become obsolete and our revenue would decline as our customers purchase our competitors' products. Developing and improving products is expensive and time-consuming and could divert management's attention away from our existing products. The success of any new product offering or product enhancements to our solutions will depend on several factors, including our ability to:

- Maintain strong relationships with ECPs;
- Assemble sufficient resources to acquire or discover additional products;
- Properly identify and anticipate physician and patient needs;
- Develop and introduce new products and product enhancements in a timely manner;
- Receive adequate and equitable coding, coverage and reimbursement for procedures performed with our products;
- Avoid infringing upon, misappropriating or otherwise violating the intellectual property rights of third parties;
- Demonstrate, if required, the safety and efficacy of new products with data from preclinical studies and clinical trials or investigations;
- Obtain the necessary regulatory clearances, certifications or approvals for expanded indications, new products or product modifications;
- Comply with the requirements of FDA and similar foreign regulatory authorities regarding the marketing of new devices or modified products;
- Produce new products in commercial quantities at an acceptable cost;
- Provide adequate training to potential users of our products; and
- Develop an effective and dedicated sales and marketing team.

If we are unable to develop or improve products, applications or features due to constraints, such as insufficient cash resources, high employee turnover, inability to hire personnel with sufficient technical skills or a lack of other research and development resources, we may not be able to maintain our competitive position compared to other companies. Furthermore, many of our competitors devote a considerably greater amount of funds to their research and development programs than we do, and those that do not may be acquired by larger companies that could allocate greater resources to research and development programs. Our failure or inability to devote adequate research and development resources or compete effectively with the research and development programs of our competitors could harm our business. In addition, we may choose to focus our efforts and resources on potential products or indications that ultimately prove to be unsuccessful, or to license or purchase marketed products that do not meet our financial expectations. As a result, we may fail to capitalize on viable commercial products or profitable market opportunities, be required to forego or delay pursuit of opportunities with other potential products or other diseases that may later prove to have greater commercial potential, or relinquish valuable rights to such potential products through collaboration, licensing or other royalty arrangements in cases in which it would have been advantageous for us to retain sole development and commercialization rights, which could adversely impact our business, financial condition and results of operations. Our **quarterly strategic realignment and annual cost saving initiatives could result—results may fluctuate significantly** in higher than expected costs, fail to achieve the anticipated cost savings, and **cause disruptions in our business that could make it difficult to achieve our strategic objectives.** In October 2023, we initiated a strategic realignment of our operations, including approximately a 10% reduction in our workforce, which was intended to reduce operating expenses, improve cost efficiencies, and further extend our cash runway. However, these initiatives may not **fully reflect the underlying performance of our business. Our quarterly and annual result—results of operations** in the anticipated benefits, and **including our revenue,** may **result—vary significantly** in unexpected difficulties or costs. In addition, we may fail to accurately estimate the level of cost savings and improvements to our cost structure associated with our initiatives, in which case our **future, and period- to- period comparisons of our** operating results may **not be meaningful** worse than expected. Further **Accordingly, the results of any one quarter our— or workforce reduction period should not be relied upon as an indication of future performance or of the results for the year in which such quarter or period occurs. These fluctuations** may be disruptive to our **occur due** business and have unanticipated consequences, such as attrition beyond planned staff reductions, reduced employee morale, and decreased operational capabilities primarily within our Dry Eye business. Our workforce reductions could also harm our ability to **a variety of factors** attract and retain qualified personnel, **many of which are outside** could adversely affect our business and results of operation. Our strategic initiatives **our control, including the following:**

- **The level of demand for our products which may vary significantly;**
- **Changes in coverage and reimbursement policies** also have a negative effect on our existing relationships within our Dry Eye business segment, **including** with respect to **business** the procedures in which our products and our competitors' products are used, and potential future products that compete with our products;
- Results of clinical trials or investigations involving the use of our products;
- Regulatory decisions or announcements, including product recalls, **and product labeling** and reimbursement determinations;
- Expenditures that we may incur to acquire, develop or commercialize additional products and technologies;
- Sales and marketing efforts and expenses;
- Pricing pressures;
- The rate at which we grow our sales force and the speed at which newly hired salespeople become effective;
- The degree of competition in our industry and any change in the competitive landscape of our industry, including consolidation among our competitors or future **partners; — partners —;**
- **Positive or negative coverage in the**

**media or clinical publications of our products or products of our competitors or our industry; • The timing of customer orders or medical procedures using our products and the number of available selling days in any quarterly period, which can be impacted by holidays, the mix of products sold and the geographic mix of where products are sold; • The timing and cost of, and level of investment in, research, development, licenses, regulatory approval, commercialization activities, acquisitions and other constituents—strategic transactions, For or example, we amended other significant events relating to or our products terminated our contractual relationships with certain partners, which may harm change from time to time; • The costs of enforcing and defending our intellectual property rights, whether through litigation or long otherwise; • The cost of manufacturing our products, which may vary depending on the quantity of production and the terms of our agreements with third party suppliers; term business relationships with these partners and • result in unexpected costs. We have limited experience implementing similar strategic initiatives and, as a result, we may fail to achieve the associated benefits, or fail to anticipate the associated costs or manage any expected difficulties. If we are unable to successfully manage these realignment activities, or any similar activities in the future **Future**; **accounting pronouncements** our or changes financial performance, results of operations, and prospects could be negatively affected. In addition, the impact of these initiatives could result in variations in our **accounting policies** financial results from period to period, which could make comparisons of our financial performance more difficult.**

Cost-containment efforts of our customers, purchasing groups and governmental organizations could have a material adverse effect on our sales and results of operations. Consolidation in the healthcare industry or group purchasing organizations could lead to demands for price concessions, which may affect our ability to sell our products at prices necessary to support our current business strategies. In an effort to reduce costs, many clinics and hospitals in the United States, including some of our customers, are members of Group Purchasing Organizations ("GPOs") and Integrated Delivery Networks ("IDNs"). GPOs and IDNs negotiate pricing arrangements with medical device companies and distributors and then offer these negotiated prices to affiliated hospitals and other members. GPOs and IDNs typically award contracts on a category-by-category basis through a competitive bidding process. Bids are generally solicited from multiple providers with the intention of driving down pricing or reducing the number of vendors. Due to the highly competitive nature of the GPO and IDN contracting processes, we may not be able to obtain new, or maintain existing, contract positions with major GPOs and IDNs. Furthermore, the increasing leverage of organized buying groups may reduce market prices for our products, thereby reducing our revenue and margins. While having a contract with a GPO or an IDN for a given product category can facilitate sales to members of that GPO or IDN, such contract positions can offer no assurance that any level of sales will be achieved, as sales are typically made pursuant to individual purchase orders. Even when a provider is the sole contracted supplier of a GPO or an IDN for a certain product category, members of the GPO or IDN are generally free to purchase from other suppliers. Furthermore, GPO and IDN contracts typically are terminable without cause by the GPO or IDN upon 60 to 90 days' notice. Accordingly, the members of such groups may choose to purchase alternative products due to the price or quality offered by other companies, which could result in a decline in our sales volumes and revenue. Healthcare costs have risen significantly over the past decade, which has resulted in or led to numerous cost reform initiatives by legislators, regulators and third-party payors. Cost reform has triggered a consolidation trend in the healthcare industry to aggregate purchasing power, which **has and** may create **more additional** requests for pricing concessions in the future. Additionally, GPOs, IDNs and large single accounts may continue to use their market power to consolidate purchasing decisions for hospitals. We expect that market demand, government regulation, third-party coverage and reimbursement policies and societal pressures will continue to change the healthcare industry worldwide, resulting in further business consolidations and alliances among our customers, which may exert further downward pressure on the prices of our products. Any decline in the amount that payors reimburse our customers for procedures that use our Surgical Glaucoma products or in the amount that customers are willing to pay or that payors reimburse for procedures that use TearCare in the future, could make it difficult for customers to continue using, or to adopt, our products and could create additional pricing pressure for us. If we are forced to lower the price we charge for our products or add more components to our products, our gross margins will decrease, which will adversely affect our ability to invest in and grow our business. We may be unable to manage the anticipated growth of our business. In order to grow, we need to expand our commercial team, and general and administrative infrastructure. In addition to the need to scale our organization, **any** future growth will impose significant added responsibilities on management, including the need to identify, recruit, train and integrate additional employees. Rapid expansion in personnel could mean that less experienced people market and sell our products, which could result in inefficiencies and unanticipated costs, reduced quality and disruptions to our operations. In addition, rapid and significant growth may strain our administrative and operational infrastructure. Our ability to manage our business and growth will require us to continue to improve our operational, financial and management controls, reporting systems and procedures. For example, we currently rely on a combination of direct sales personnel and independent distributors to sell our products in Europe, and we intend to grow our international sales through a combination of direct and distributor sales. **In addition, we are seeking reimbursement from MACs and private payers for our procedure enabled by our TearCare technology, and if we are successful in obtaining such reimbursement, we will need to scale our TearCare commercial infrastructure rapidly.** If we are unable to manage our growth effectively, it may be difficult for us to execute our business strategy and our business could be harmed. As demand for our current products or any of our future products increases, we will need to continue to expand customer service, billing and systems processes and enhance our internal quality assurance program. We cannot assure you that any increases in scale, related improvements and quality assurance will be successfully implemented or that appropriate personnel will be available to facilitate the growth of our business. Failure to implement necessary procedures, transition to new processes or hire the necessary personnel could result in higher costs of processing data or inability to meet increased demand. Performance issues, service interruptions or price increases by our shipping carriers and distributors could negatively affect our business, financial condition and results of operations and harm our reputation and the relationship between us and the ECPs we work with. Expedited,

reliable shipping is essential to our operations. We rely heavily on providers of transport services for reliable and secure point-to-point transport of our products to our customers and for tracking of these shipments. Should a carrier encounter delivery performance issues such as loss, damage or destruction of any systems, it would be costly to replace such systems in a timely manner and such occurrences may damage our reputation and lead to decreased demand for our solutions and increased cost and expense to our business. In addition, any significant increase in shipping rates could adversely affect our operating margins and results of operations. Similarly, strikes, severe weather, natural disasters or other service interruptions affecting delivery services we use would adversely affect our ability to process orders for our products on a timely basis. These factors could negatively affect our business, financial condition and results of operations and harm our reputation and the relationship between us and the ECPs we work with. Our products may become obsolete in the future. The medical device industry is characterized by rapid and significant change. There can be no assurance that other companies will not succeed in developing or marketing devices or products that are more effective than our products or that would render our products obsolete or noncompetitive. Additionally, new surgical procedures, medications and other therapies could be developed that replace or reduce the importance of our products. Accordingly, our success will depend in part on our ability to respond quickly to medical and other changes through the development and introduction of new products. Product development involves a high degree of risk, and there can be no assurance that our new product development efforts will result in any commercially successful products. We may need additional funding to finance our planned operations, and may not be able to raise capital on acceptable terms, if at all, which could force us to delay, reduce or eliminate our product development programs and commercialization efforts. Since inception, we have incurred significant net losses and expect to continue to incur net losses for the foreseeable future. Our operations have been financed primarily by net proceeds from the sale of our convertible preferred stock in private placements and the sale of our common stock in our initial public offering, revenue from sales of our products and secured indebtedness. As of December 31, 2024-2023, we had \$ 120-138. 4-1 million in cash and cash equivalents, and an accumulated deficit of \$ 346-294. 3-8 million. Based on our current planned operations, we expect that our cash and cash equivalents and additional borrowings available under our credit facility (subject to satisfaction of certain conditions precedent) will enable us to fund our operations for at least the next 12 months. We have based these estimates on assumptions that may prove to be wrong, including, **without limitation,** our ~~assumptions-~~ **assumption** that OMNI revenue will grow, procedures in which our OMNI technology is used will continue to be adequately reimbursed, ~~our TearCare procedure will receive sustainable and attractive reimbursement, and we will receive a significant non-~~ **appealable damages award in our litigation opposite Alcon.** If one or more of these assumptions are not met, we could utilize our available capital resources sooner than we expect. We expect to continue to invest in clinical trials or investigations that are designed to provide clinical evidence of the safety and efficacy of our products, the growth of our sales and marketing organization, and research and development of product improvements and future products, including certain pharmaceutical product candidates, which will continue to increase our expenses. Accordingly, our future capital requirements will depend on many factors, including:

- The degree and rate of market acceptance of our products and procedures, as well as the revenue generated by sales of our products and the gross profits and gross margin we realize from such sales;
- Whether we obtain and maintain reimbursement sufficient to drive continued use and adoption of our products and procedures;
- **The scope and timing of investment in our sales force and expansion of our commercial organization;**
- **The scope, rate of progress and cost of our current or future clinical trials or investigations and registries;**
- **The cost of our medical device and pharmaceutical research and development activities;**
- **The cost and timing of additional regulatory clearances, certifications or approvals;**
- **The costs of attaining, defending, protecting and enforcing our intellectual property rights, including our ability to preserve or enhance the damages awarded to us as the result of the April 2024 positive jury trial verdict in our patent litigation with Alcon Inc., Alcon Vision, LLC, Alcon Research, LLC (collectively, “Alcon”) and Ivantis, Inc. (“Ivantis”);**
- **Repayment of debt;**
- **Whether we acquire third-party companies, products or technologies;**
- **Repayment of debt;**
- **The scope and timing of investment in our sales force and expansion of our commercial organization;**
- **The scope, rate of progress and cost of our current or future clinical trials or investigations and registries;**
- **The cost of our medical device and pharmaceutical research and development activities;**
- **The cost and timing of additional regulatory clearances, certifications or approvals;**
- **The costs of attaining, defending, protecting and enforcing our intellectual property rights;**
- The terms and timing of any other collaborative, licensing and other arrangements that we may establish;
- The emergence of competing technologies or other adverse market developments;
- Our ability, and our competitors’ ability, to obtain and maintain favorable reimbursement for our products; and
- The rate at which we expand internationally. As a result of these and other factors, we may seek to raise additional capital through equity offerings or debt financings, and such additional financing may not be available to us on acceptable terms, or at all. In addition, any additional equity or debt financing that we raise may contain terms that are not favorable to us or our stockholders. For example, if we raise funds by issuing equity or equity-linked securities, the issuance of such securities could result in dilution to our stockholders. Any equity securities issued may also provide for rights, preferences or privileges senior to those of holders of our common stock. In addition, the issuance of additional equity securities by us, or the possibility of such issuance, may cause the market price of our common stock to decline, and the price per share at which we sell additional shares of our common stock, or securities convertible into or exercisable or exchangeable for shares of our common stock, in future transactions may be higher or lower than the price per share paid by investors in the initial public offering of our common stock. In addition, the terms of debt securities issued or borrowings could impose significant restrictions on our operations including restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to pay dividends, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely affect our ability to conduct our business. In the event that we enter into collaborations or licensing arrangements to raise capital, we may be required to accept unfavorable terms, such as relinquishment or licensing of certain technologies or products that we otherwise would seek to develop or commercialize ourselves, or reserve for future potential arrangements when we might otherwise be able to achieve more favorable terms. In addition, we may be forced to work

with a partner on one or more of our products or market development programs, which could lower the economic value of those programs to us. If we are unable to obtain **adequate financing on terms satisfactory to us when we require it, we may terminate or delay the development of one or more of our products, delay clinical trials or investigations necessary to market our products, or delay establishment of sales and marketing capabilities or other activities necessary to commercialize our products. If this were to occur, our ability to grow and support our business and to respond to market challenges could be significantly limited, which could have a material adverse effect on our business, financial condition and results of operations.** We bear the risk of potential warranty claims on our products. We provide limited warranties regarding our products, including warranties pertaining to freedom from defects and conformance to specifications. We are generally obligated under our sales contracts to repair, replace or credit or refund the purchase price of defective products. As a result, we bear the risk of potential warranty claims on our products. In the event that we attempt to recover some or all of the expenses associated with a warranty claim against us from our suppliers or vendors, we may not be successful in claiming recovery under any warranty or indemnity provided to us by such suppliers or vendors and any recovery from such vendor or supplier may not be adequate. In addition, warranty claims brought by our customers related to third-party components may arise after our ability to bring corresponding warranty claims against such suppliers expires, which could result in costs to us. We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances or partnerships with third parties that may not result in the development of commercially viable products or product improvements or the generation of significant future ~~revenues~~ **revenue**. We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, partnerships or other arrangements to develop new products or product improvements and to pursue new markets. Other companies, including those with substantially greater financial, marketing, sales, technology or other business resources, may compete with us for these opportunities or arrangements. We may not identify, secure, or complete any such transactions or arrangements in a timely manner, on a cost-effective basis, on acceptable terms or at all. We have limited institutional knowledge and experience with respect to these business development activities, and we may also not realize the anticipated benefits of any such transaction or arrangement. In particular, these collaborations may not result in the development of products that achieve commercial success or viable product improvements or result in significant ~~revenues~~ **revenue** and could be terminated prior to developing any products. Additionally, we may not be in a position to exercise sole decision-making authority regarding the transaction or arrangement, which could create the potential risk of creating impasses on decisions, and our future collaborators may have economic or business interests or goals that are, or that may become, inconsistent with our business interests or goals. It is possible that conflicts may arise with our collaborators, such as conflicts concerning the achievement of performance milestones, or the interpretation of significant terms under any agreement, such as those related to financial obligations or the ownership or control of intellectual property developed during the collaboration. If any conflicts arise with any future collaborators, they may act in their self-interest, which may be adverse to our best interest, and they may breach their obligations to us. In addition, we may have limited control over the amount and timing of resources that any future collaborators devote to our or their future products. Disputes between us and any collaborators we may have in the future may result in litigation or arbitration which would increase our expenses and divert the attention of our management. Further, these transactions and arrangements will be contractual in nature and will generally be terminable under the terms of the applicable agreements and, in such event, we may not continue to have rights to the products relating to such transaction or arrangement or may need to purchase such rights at a premium. If we enter into in-bound intellectual property license agreements, we may not be able to fully protect the licensed intellectual property rights or maintain those licenses. Future licensors could retain the right to prosecute and defend the intellectual property rights licensed to us, in which case we would depend on the ability of our licensors to obtain, maintain and enforce intellectual property protection for the licensed intellectual property. These licensors may determine not to pursue litigation against other companies or may pursue such litigation less aggressively than we would. Further, entering into such license agreements could impose various diligence, commercialization, royalty or other obligations on us. Future licensors may allege that we have breached our license agreement with them, and accordingly seek to terminate our license and / or seek damages arising out of the alleged breach, which could adversely affect our competitive business position and harm our business prospects. We depend on our senior management team and the loss of one or more key employees or an inability to attract and retain highly skilled employees will negatively affect our business, financial condition and results of operations. Our success depends largely on the continued services of key members of our executive management team and others in key management positions. For example, the services of Paul Badawi, our Chief Executive Officer, David Badawi, our Chief Technology Officer, ~~and~~ Alison Bauerlein, our Chief Financial **Officer, and Matthew Link, our Chief Commercial** Officer, are essential to driving innovation and adoption of our products, executing on our corporate strategy and ensuring the continued operations and integrity of financial reporting within our company. In addition, the services of our commercial leadership and sales professionals are critical to driving the growth in sales of our products. Any of our employees may terminate their employment with us at any time. We currently maintain a key person life insurance policy on Paul Badawi and David Badawi. If we lose one or more key employees, we may experience difficulties in competing effectively, developing our technologies and implementing our business strategy, which in turn would negatively affect our business. In addition, our research and development programs, clinical and quality operations and sales efforts depend on our ability to attract and retain highly skilled engineers and sales professionals, as well as experienced regulatory, quality and clinical professionals. We may not be able to attract or retain qualified professionals in the future due to the competition for qualified personnel. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we do. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached legal obligations, resulting in a diversion of our time and resources and, potentially, damages. In addition, job candidates and existing employees often consider the value of the stock awards they receive in connection with their

employment. If the perceived benefits of our stock awards decline, either because of unfavorable fluctuations or declines in our stock price or for other reasons, it may harm our ability to recruit and retain highly skilled employees. Many of our employees have become or will soon become vested in a substantial amount of our common stock or a number of common stock options. Our employees may be more likely to leave us if the market price of our common stock approaches or falls below the exercise price of their vested and unvested option shares. Substantial declines in the market price of our common stock will also reduce the effectiveness of any restricted stock unit or other equity incentive awards in attracting and retaining employees, especially within the current highly competitive labor market. Our future success also depends on our ability to continue to attract and retain additional executive officers and other key employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, it will negatively affect our business, financial condition and results of operations. The use, misuse or off-label use of our products may result in injuries that lead to product liability suits, which could be expensive, divert management's attention and harm our reputation and business. We may not be able to maintain adequate product liability insurance. Our products are cleared or authorized by the FDA and certified in the EU to be marketed for certain specific intended uses. If physicians elect to use our products in manners outside of the intended uses that have been cleared, authorized, or certified, then such off-label use of our products may result in outcomes and adverse events that are sight threatening, necessitate medical or surgical intervention to preclude permanent impairment of vision, or result in a permanent impairment of vision, potentially leading to product liability claims. However, we cannot prevent a physician from using our products for off-label applications or using components or products that are not our products when performing procedures with our products. There may be increased risk of injury to patients if physicians attempt to use our devices off-label. In addition, we cannot guarantee that physicians are trained by us or their peers prior to utilizing our products. Complications resulting from the use of our products off-label or use by physicians who have not been trained appropriately, or at all, may not effectively treat the applicable conditions and may expose us to product liability claims or litigation by our customers or their patients and may harm our reputation. In addition, if our products are defectively designed, manufactured or labeled, contain defective components or are misused, we may become subject to costly litigation initiated by hospitals, surgical centers, ECPs or patients. Product liability claims are especially prevalent in the medical device industry and could harm our reputation, divert management's attention from our core business, attract negative publicity, be expensive to defend and may result in sizable damage awards against us. Although we maintain product liability insurance, we may not have sufficient insurance coverage for future product liability claims. We are not able to obtain insurance in amounts or scope sufficient to provide us with adequate coverage against all potential liabilities. Any product liability claims brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing continuing coverage, harm our reputation, significantly increase our expenses, and reduce product sales. Product liability claims could cause us to incur significant legal fees and deductibles and claims in excess of our insurance coverage would be paid out of cash reserves, harming our financial condition and operating results. We may need additional funding to finance our..... condition and results of operations. We have a significant amount of debt, which may affect our ability to operate our business and secure additional financing in the future. In January 2024, we entered into a Loan and Security Agreement (the "Hercules Loan Agreement") with Hercules Capital, Inc. ("Hercules") and certain affiliates of Hercules (collectively with Hercules, the "Lenders"), which provides for a senior secured term loan facility in the aggregate principal amount of up to \$ 65. 0 million (the "Term Loan"). An initial tranche of \$ 35. 0 million was and a second tranche of \$ 5. 0 million were funded under the Hercules Loan Agreement in January 2024 and December 2024, respectively, and up to an additional \$ 30-25. 0 million of additional borrowings are potentially available, subject to our satisfaction of certain milestones, consents and other conditions precedent. There is no guarantee that we will meet these conditions precedent to borrowing additional amounts under the Hercules Loan Agreement. The Term Loan accrues interest at a floating annual rate based on the greater of (i) 10. 35 % or (ii) the Wall Street Journal prime rate (the "Prime Rate") plus 2. 35 %. Accrued interest on the Term Loan is payable monthly in arrears. Upon an event of default under the Hercules Loan Agreement, the interest rate will automatically increase by an additional 3. 0 % per annum. As of December 31, 2023-2024 we had an aggregate of approximately \$ 35-40. 0 million in principal borrowings outstanding under our prior secured credit facility (the "Prior Facility") with MidCap Financial Trust and certain of its affiliates, which borrowings we paid off in full as a condition precedent to entry into the Hercules Loan Agreement. Our interest payments under Hercules the Prior Facility and under the Loan Agreement have diverted and will continue to divert resources from our operations and other activities. We incurred an aggregate interest expense of \$ 4. 7 million and \$ 5. 4 million and \$ 4. 5 million in the years ended December 31, 2024 and 2023 and 2022, respectively. Our obligations under the Hercules Loan Agreement are collateralized by a security interest in substantially all of our assets. The Hercules Loan Agreement contains customary representations and warranties, affirmative covenants, negative covenants, financial covenants, events of default and other provisions and conditions. The affirmative covenants, among other things, require us to undertake various reporting and notice requirements and an obligation to maintain and enforce certain rights, approvals and assets. The negative covenants restrict our ability to, among other things and subject to certain exceptions contained in the Hercules Loan Agreement, incur new indebtedness; create liens on assets; engage in certain fundamental corporate changes, such as mergers and acquisitions; change our business activities; and make investments or restricted payments, in each case subject to customary exceptions. The negative covenants also restrict our ability to change our fiscal year, repay certain indebtedness, engage in certain affiliate transactions, or enter into, amend or terminate any other agreements that has the impact of restricting our ability to make loan repayments under the Hercules Loan Agreement. In addition, we are subject to certain financial covenants under the Loan loan Agreement agreement pertaining to minimum cash and minimum revenue thresholds. The covenants related to the Hercules Loan Agreement, as well as any future financing agreements into which we may enter, may restrict our ability to finance our operations and engage in, expand or otherwise pursue our business activities and strategies. Our ability to draw down further amounts under our Hercules Loan Agreement is contingent upon us meeting certain conditions precedent. Any failure to meet these conditions could prevent us from accessing

non-dilutive capital under the Hercules Loan Agreement if needed, which could require us to seek additional funding from other sources, which additional capital may not be available or may only be available on terms less favorable than those that would otherwise be available under the agreement. While we believe that we have not previously breached and are not currently in breach of these or any other covenants contained in the Hercules Loan Agreement, there can be no guarantee that we will not breach these covenants in the future. Our ability to comply with these covenants may be affected by events beyond our control, and future breaches of any of these covenants could result in a default under the Hercules Loan Agreement. If not waived, future defaults could cause all of the outstanding indebtedness under the agreement to become immediately due and payable and terminate commitments to extend further credit and foreclose on the collateral granted to it to collateralize such indebtedness. If we do not have or are unable to generate sufficient cash available to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, our assets could be foreclosed upon and we may not be able to obtain additional debt or equity financing on favorable terms, if at all, which may negatively impact our ability to operate and continue our business as a going concern. In order to service this indebtedness and any additional indebtedness we may incur in the future, we need to generate cash from our operating activities. Our ability to generate cash is subject, in part, to our ability to successfully execute our business strategy, as well as general economic, financial, competitive, regulatory and other factors beyond our control. We cannot assure you that our business will be able to generate sufficient cash flow from operations or that future borrowings or other financings will be available to us in an amount sufficient to enable us to service our indebtedness and fund our other liquidity needs. To the extent we are required to use cash from operations or the proceeds of any future financing to service our indebtedness instead of funding working capital, capital expenditures or other general corporate purposes, we will be less able to plan for, or react to, changes in our business, industry and in the economy generally. This may place us at a competitive disadvantage compared to our competitors that have less indebtedness or greater financial resources to service their debt. We may seek to grow our business through acquisitions of or investments in new or complementary businesses, products or technologies, and the failure to manage acquisitions or investments, or the failure to integrate them with our existing business, could have a material adverse effect on us. From time to time, we expect to consider opportunities to acquire or make investments in other technologies, products, and businesses that may enhance our capabilities, complement our current products, or expand the breadth of our markets or customer base. Potential and completed acquisitions and strategic investments involve numerous risks, including: • problems assimilating the purchased technologies, products, or business operations; • dilutive issuances of equity securities, the use of our available cash, or the incurrence of debt, which could harm our operating results; • issues maintaining uniform standards, procedures, controls, and policies; • unanticipated costs and liabilities associated with acquisitions; • diversion of management's attention from our core business; • adverse effects on existing business relationships with suppliers and customers; • risks associated with entering new markets in which we have limited or no experience; • potential loss of key employees of acquired businesses; and • increased legal and accounting compliance costs, as well as potential litigation costs, arising out of the acquisition or investment. We have no current commitments with respect to any acquisition or investment. Under the Hercules Loan Agreement, we are restricted in our ability to pursue certain mergers, acquisitions, amalgamations or consolidations that we may believe to be in our best interest. We do not know if we will be able to identify acquisitions we deem suitable, whether we will be able to successfully complete any such acquisitions on favorable terms or at all, or whether we will be able to successfully integrate any acquired business, product, or technology into our business or retain any key personnel, suppliers, or distributors. Our ability to successfully grow through acquisitions depends upon our ability to identify, negotiate, complete, and integrate suitable target businesses and to obtain any necessary financing. These efforts could be expensive and time consuming, and may disrupt our ongoing business and prevent management from focusing on our operations. If we are unable to successfully integrate any acquired businesses, products, or technologies effectively, our business, results of operations, and financial condition will be materially adversely affected. Security breaches, loss of data and other disruptions could compromise sensitive information related to our business or our customer's patients, or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation. In the ordinary course of our business, we may become exposed to, or collect and store, sensitive data, including procedure-based information and legally –protected health information, credit card, and other financial information, insurance information, and other potentially personally identifiable information. We also store sensitive intellectual property and other proprietary business information. We take measures to implement and update policies and procedures designed to ensure compliance with applicable data security and privacy-related laws and regulations and protect sensitive information from unauthorized access or disclosure. However, our information technology ("IT"), and infrastructure, and that of our third-party billing and collections provider and other technology partners and providers, may be vulnerable to cyber-attacks by hackers or viruses or breaches due to employee error, malfeasance or other disruptions. We rely extensively on IT systems, networks and services, including internet sites, data hosting and processing facilities and tools, physical security systems and other hardware, software and technical applications and platforms, some of which are managed, hosted, provided and / or used by third parties or their vendors, to assist in conducting our business. A significant breakdown, invasion, corruption, destruction or interruption of critical information technology systems or infrastructure, by our workforce, others with authorized access to our systems or unauthorized persons could negatively impact operations. **As the result of certain reimbursement and similar services that we provide to our customers, we may from time to time have access to personal health information, or PHI, as defined under the federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their implementing regulations, which we collectively refer to as HIPAA, and related state laws, rules and regulations. As such, we may be deemed to be a “ Business Associate ” as defined under HIPAA, and the U. S. Department of Health and Human Services Office of Civil Rights, or OCR, may impose significant penalties on a Business Associate for a failure to comply with an applicable requirement of HIPAA. Penalties may include civil monetary penalties, criminal monetary penalties and imprisonment.**

**The U. S. Department of Justice, or the DOJ, is responsible for criminal prosecutions under HIPAA. State attorneys general also have the right to prosecute HIPAA violations committed against residents of their states. While HIPAA does not create a private right of action that would allow individuals to sue in civil court for HIPAA violations, its standards have been used as the basis for the duty of care in state civil suits, such as those for negligence or recklessness in misusing individuals' health information. Furthermore, in the event of a breach as defined by HIPAA, the Business Associate may have to comply with specific reporting requirements under HIPAA regulations**. The ever- increasing use and evolution of technology, including cloud- based computing, creates opportunities for the unintentional dissemination or intentional destruction of confidential information stored in our or our third- party providers' systems, portable media or storage devices. For example, companies continue to experience increases in phishing and social engineering attacks from third parties. We could also experience a business interruption, theft of confidential information or reputational damage from industrial espionage attacks, malware or other cyber- attacks, which may compromise our system infrastructure or lead to data leakage, either internally or at our third- party providers. Although the aggregate impact on our operations and financial condition has not been material to date, we have been the target of events of this nature and expect them to continue as cybersecurity threats have been rapidly evolving in sophistication and becoming more prevalent in the industry. We are investing in protections and monitoring practices of our data and IT to reduce these risks and continue to monitor our systems on an ongoing basis for any current or potential threats. There can be no assurance, however, that our efforts will prevent breakdowns or breaches to our or our third- party providers' databases or systems, and such breakdowns or breaches could adversely affect our business, financial condition and reputation. We also have partially mitigated these risks by purchasing cybersecurity insurance. However, such insurance will not necessarily cover all costs and impacts related to these risks. **Our** ~~The planned~~ **international expansion of our business will operations** expose us to market, legal, regulatory, political, operational, financial and economic risks associated with doing business outside of the United States. **Our current** ~~We intend to increase our~~ **international presence is focused in the United Kingdom and the European Union , and we may seek to expand our international operations in the future. Our international business strategies including include** securing additional regulatory **and reimbursement** approvals in targeted countries outside the United States **, and establishing a direct or indirect commercial presence in such countries . This** ~~These strategy- strategies~~ **may include establishing and maintaining physician outreach and education capabilities outside of the United States , developing** and expanding our relationships with international payors **, and creating targeted commercial strategies relevant to each target market** . Doing business internationally involves a number of risks, including: • Difficulties in staffing and managing our international operations; • Multiple, conflicting and changing laws and regulations such as tax laws, privacy laws, export and import restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses; • Reduced or varied protection for intellectual property rights in some countries; • Obtaining regulatory clearance, certification or approval where required for our products in various countries; • Requirements to maintain data and the processing of that data on servers located within such countries; • Complexities associated with managing multiple payer reimbursement regimes, government payors or patient self- pay systems; • Limits on our ability to penetrate international markets if we are required to manufacture our products locally; • Financial risks, such as longer payment cycles, difficulty collecting accounts receivable, foreign tax laws and complexities of foreign value- added tax systems, the effect of local and regional financial pressures on demand and payment for our products and exposure to foreign currency exchange rate fluctuations; • Restrictions on the site- of- service for use of our products and the economics related thereto for physicians, providers and payors; • Changes in foreign currency exchange rates and costs associated with hedging against such changes; • Natural disasters, political and economic instability, including wars, such as the current military conflict between Russia and Ukraine **and the crisis in the Middle East** , terrorism, political unrest, outbreak of disease, boycotts, curtailment of trade and other market restrictions; and • Regulatory and compliance risks that relate to maintaining accurate information and control over activities subject to regulation under the United States Foreign Corrupt Practices Act of 1977 (" FCPA"), U. K. Bribery Act of 2010 (" Bribery Act ") <sup>11</sup> , and comparable laws and regulations in other countries. Any of these factors could significantly harm our ~~future~~ **international business expansion and** operations and, consequently, have a material adverse effect on our business, financial condition and results of operations. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. Under current law, federal net operating losses (" NOLs ") incurred in tax years beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such federal NOLs is limited to 80 % of taxable income. It is uncertain if and to what extent various states will conform to federal tax laws. As of December 31, ~~2023~~ **2024** , we had accumulated federal and state NOL carryforwards of approximately \$ ~~235-269 . 5-2~~ million, and \$ ~~201-245 . 6-0~~ million, respectively. Of the total federal NOL carryforwards, approximately \$ ~~220-254 . 7-3~~ million were generated after January 1, 2018, and therefore do not expire under current law but can only be utilized to offset 80 % of future taxable income. The remaining federal NOL carryforwards of \$ 14. 8 million will begin to expire in 2031, and state tax loss carryforwards continue to expire. In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of state law, if a corporation undergoes an " ownership change, " which is generally defined as a greater than 50 % change in its equity ownership value over a three- year period, the corporation' s ability to use its pre- change NOL and research credit carryforwards may be subject to substantial limitations, which could cause U. S. federal income taxes to be paid earlier than would be paid if such limitations were not in effect and could cause NOL carryforwards to expire unused. We believe we experienced at least one ownership change that significantly reduced our ability to utilize our pre- 2018 NOL and research credit carryforwards before they expire. Additionally, future ownership changes under Section 382 may also limit our ability to fully utilize any remaining tax benefits. Uncertainties in the interpretation and application of existing, new and proposed tax laws and regulations could materially affect our tax obligations and effective tax rate. The tax regimes to which we are subject or under which we operate are unsettled and may be subject to significant change. The issuance of additional guidance related to existing or future tax laws, or changes to tax laws or regulations proposed or implemented by the current or a future U. S. presidential

administration, Congress, or taxing authorities in other jurisdictions, including jurisdictions outside of the United States, could materially affect our tax obligations and effective tax rate. To the extent that such changes have a negative impact on us, including as a result of related uncertainty, these changes may adversely impact our business, financial condition, results of operations, and cash flows. The amount of taxes we pay in different jurisdictions depends on the application of the tax laws of various jurisdictions, including the United States, to our international business activities, tax rates, new or revised tax laws, or interpretations of tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency. Similarly, a taxing authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a “permanent establishment” under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions. Effective January 1, 2022, the Tax Cuts and Jobs Act of 2017 eliminated the option to deduct research and development expenses for tax purposes in the year incurred and requires taxpayers to capitalize and subsequently amortize such expenses over five years for research activities conducted in the United States and over 15 years for research activities conducted outside the United States. Although there have been legislative proposals to repeal or defer the capitalization requirement to later years, there can be no assurance that the provision will be repealed or otherwise modified. Future guidance from the Internal Revenue Service and other tax authorities with respect to such legislation may affect us, and certain aspects of such legislation could be repealed or modified in future legislation. Our tax obligations and effective tax rate in the jurisdictions in which we conduct business could increase, including as a result of the base erosion and profit shifting (“BEPS”) project that is being led by the Organization for Economic Co-operation and Development (“OECD”), and other initiatives led by the OECD or the European Commission. For example, the OECD is leading work on proposals, commonly referred to as “BEPS 2.0,” which, if and to the extent implemented, would make important changes to the international tax system. These proposals are based on two “pillars,” involving the reallocation of taxing rights in respect of certain multinational enterprises above a fixed profit margin to the jurisdictions in which they carry on business (subject to certain revenue threshold rules which we do not currently meet but may meet in the future) (referred to as “Pillar One”) and imposing a minimum effective corporate tax rate on certain multinational enterprises (referred to as “Pillar Two”). A number of countries in which we conduct business, including through our European subsidiaries, have enacted with effect from January 1, 2024, or are in the process of enacting, core elements of the Pillar Two rules. Based on our current understanding of the minimum revenue thresholds contained in the Pillar Two proposal, we do not expect to fall within the scope of its rules in the short- to- medium term. We continue to monitor developments and evaluate the potential impacts and applicability of these new rules on our business. We could be adversely affected by violations of the FCPA and similar worldwide anti-bribery laws, anti-boycott and anti-money laundering laws and export regulations, and the outcome of any investigation, by government agencies of possible violations by us of these laws and regulations could have a material adverse effect on our business. The FCPA prohibits companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. Other anti-corruption or anti-bribery laws, such as the Bribery Act, prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business in foreign countries. The FCPA also imposes accounting standards and requirements on publicly traded U.S. corporations and their foreign affiliates, which are intended to prevent the diversion of corporate funds to the payment of bribes and other improper payments, and to prevent the establishment of slush funds from which such improper payments can be made. Because of the predominance of government-sponsored healthcare systems around the world, many of our customer relationships outside of the U.S. are with governmental entities and are therefore subject to such anti-bribery laws. Our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees or agents. Violations of these laws, or allegations of such violations, could disrupt our operations, involve significant management distraction, and result in a material adverse effect on our business, results of operations, and financial condition. We also could suffer severe penalties, including criminal and civil penalties, disgorgement, and other remedial measures, including further changes or enhancements to our procedures, policies, and controls, as well as potential personnel changes and disciplinary actions. Furthermore, we are subject to anti-boycott laws, anti-money laundering laws, and the export controls and economic embargo rules and regulations of the U.S., including ~~but not limited to,~~ the Export Administration Regulations and trade sanctions against embargoed countries, which are administered by the Office of Foreign Assets Control within the Department of the Treasury, as well as the laws and regulations administered by the Department of Commerce. These regulations limit our ability to market, sell, distribute, or otherwise transfer our products or technology to prohibited countries or persons. A determination that we have failed to comply, whether knowingly or inadvertently, may result in substantial penalties, including fines and enforcement actions and civil and / or criminal sanctions, the disgorgement of profits, and the imposition of a court-appointed monitor, as well as the denial of export privileges, and may have an adverse effect on our business and reputation. Epidemic diseases, or the perception of their effects, have and may have an adverse effect on our business, financial condition, results of operations, and cash flows. Outbreaks of infectious diseases could divert medical resources and priorities towards the treatment of that disease. An outbreak of an infectious disease could also negatively affect the decision by ECPs to perform (and by patients to undergo) elective surgery or office-based procedures, which could decrease demand for procedures using our products and cause other disruptions to our business. Business disruptions could include disruptions or restrictions on our ability to travel or to distribute our products, government orders suspending the performance of elective surgical procedures, inability of our customers to meet their financial commitments due

to strain on the healthcare system, as well as temporary closures of our facilities or the facilities of our suppliers and their contract manufacturers, and a reduction in the business hours of ambulatory surgery centers and optometrists' offices. Any disruption of our suppliers and their contract manufacturers or our customers would likely impact our sales and operating results. In addition, a significant outbreak of an infectious disease in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect demand for our products. Any of these events could negatively impact the number of procedures using our implants that are performed and have a material adverse effect on our business, financial condition, results of operations, or cash flows.

**Risks Related to Our Intellectual Property** Our success will depend on our, and ~~any of our future~~ licensors', ability to obtain, maintain and protect our intellectual property rights. Our commercial success depends in part on our ability to obtain and maintain patent and other intellectual property protection in the United States and other countries. We rely on patent protection, as well as a combination of copyright, trade secret and trademark laws, to protect the proprietary aspects of our technology and our brands, and to prevent others from developing and commercializing products that violate our intellectual property rights. However, these means may afford only limited protection and may not prevent our competitors from duplicating our products, prevent our competitors from gaining access to our proprietary information and technology, or permit us to gain or maintain a competitive advantage. We have filed numerous patent applications seeking protection of products and other inventions originating from our research and development. Our patent applications may not result in issued patents, and any patents that are issued may not provide meaningful protection against competitors or competitive technologies. Further, the examination process may require us to narrow the claims for our pending patent applications, which may limit the scope of patent protection that may be obtained if these applications issue. The scope of a patent may also be reinterpreted after issuance. The rights that may be granted under our future issued patents may not provide us with the proprietary protection or competitive advantages we are seeking. It is also possible that we will fail to identify patentable aspects of inventions made in the course of our development and commercialization activities before it is too late to obtain patent protection on them. In addition, the patent prosecution process is expensive, time- consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. Additionally, while software and other of our proprietary works may be protected under copyright law, we have chosen not to register any copyrights in these works, and instead, primarily rely on protecting our software as a trade secret. In order to bring a copyright infringement lawsuit in the United States, the copyright must be registered. Accordingly, the remedies and damages available to us for unauthorized use of our software may be limited. Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our existing and future products. Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. In 2011, the Leahy- Smith America Invents Act (" Leahy- Smith Act") was signed into law. The Leahy- Smith Act includes a number of significant changes to U. S. patent law. These include provisions that affect the way patent applications are prosecuted and also may affect patent litigation. These also include provisions that switched the United States from a first- to- invent system to a first- to- file system, allow third- party submission of prior art to the USPTO during patent prosecution and set forth additional procedures to attack the validity of a patent by the USPTO administered post grant proceedings. Under a first- to- file system, assuming the other requirements for patentability are met, the first inventor to file a patent application generally will be entitled to the patent on an invention regardless of whether another inventor had made the invention earlier. In addition, patent reform legislation may pass in the future that could lead to additional uncertainties and increased costs surrounding the prosecution, enforcement and defense of our patents and applications. Furthermore, the U. S. Supreme Court and the U. S. Court of Appeals for the Federal Circuit have made, and will likely continue to make, changes in how the patent laws of the United States are interpreted. Similarly, foreign courts have made, and will likely continue to make, changes in how the patent laws in their respective jurisdictions are interpreted. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law by U. S. and foreign legislative bodies. Those changes may materially affect our patents or patent applications and our ability to obtain additional patent protection in the future. For example, in Europe, a new unitary patent system took effect June 1, 2023, which significantly impacts European patents, including those granted before the introduction of such a system. Under the unitary patent system, European applications have the option, upon grant of a patent, of becoming a Unitary Patent which will be subject to the jurisdiction of the Unitary Patent Court (" UPC"). As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation. Patents granted before the implementation of the UPC will have the option of opting out of the jurisdiction of the UPC and remaining as national patents in the UPC countries. Patents that remain under the jurisdiction of the UPC will be potentially vulnerable to a single UPC- based revocation challenge that, if successful, could invalidate the patent in all countries who are signatories to the UPC. We cannot predict with certainty the long- term effects of any potential changes. We **have been party to, and** may **in the future** become a party to intellectual property litigation or administrative proceedings that could be costly, time- consuming, unsuccessful, and could interfere with our ability to sell and market our products. Competitors may infringe our patents, or we may be required to enforce our patents to protect our technology. We may also be required to file suit to protect our trade secrets, or may be involved in litigation defending against claims of infringement of the rights of others. In addition, our patents also may become involved in inventorship, priority or validity disputes. To counter or defend against such claims can be expensive and time- consuming and could divert our attention from other functions and responsibilities. In an infringement proceeding, a court may decide that a patent owned by us is invalid or unenforceable. Furthermore, even if our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and / or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer' s competition in the market. Adverse determinations against us in defending against infringement could subject us to significant liabilities to third parties, require us to seek licenses from third parties and prevent us from manufacturing, selling or using the

product, any of which could severely harm our business. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during litigation. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our management and other personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on our common stock price. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Any of the foregoing could have a material adverse effect on our business, financial condition or results of operations. On September 16, 2021, we filed suit in the U. S. District Court for the District of Delaware (C. A. No. 1: 21- cv- 01317) **(the “ Court ”)** alleging that Ivantis, Inc. **(“ Ivantis ”)** directly ~~or~~ and indirectly infringes **our** U. S. Patent Nos. 8, 287, 482, 9, 370, 443, 9, 486, 361, and 10, 314, 742 ~~previously issued to us~~ by making, using, selling, and offering for sale the Hydrus <sup>®</sup> Microstent. **Our complaint sought money damages and injunctive relief. On January 24, 2022, Ivantis asserted counterclaims requesting declaratory judgments that our asserted patents- in- suit are not infringed and / or invalid.** On August 1, 2022, we filed an amended complaint ~~adding~~ **alleging that** Alcon Inc., Alcon Vision , LLC , and Alcon Research, LLC ~~as defendants~~ **(collectively, “ Alcon ”)** **infringe the four originally asserted patents by making, using, selling, and offering for sale the Hydrus <sup>®</sup> Microstent, and** that all defendants also ~~directly or indirectly~~ infringe U. S. Patent No. 11, 389, 328. **The Defendants defendants filed asserted counterclaims seeking requesting declaratory judgments that the our asserted patents- in- suit are invalid or not infringed upon and / or are invalid. In September** A five- day jury trial is scheduled to commence in the first half of April 2024 ~~2022~~ -, Ivantis and Alcon filed petitions with the **USPTO U. S. Patent Office** seeking inter partes review of U. S. Patent Nos. 8, 287, 482, 9, 370, 443, 9, 486, 361, and 10, 314, 742 (IPR2022- 01529, IPR2022- 01530, IPR2022- 01533, IPR2022- 01540), each of which the U. S. Patent Office denied for raising prior art references and invalidity arguments that were cumulative of those previously considered by the **U. S. Patent Office**. **On April 26, 2024, at the conclusion of a five- day jury trial, we were awarded a positive jury trial verdict of \$ 34 million, comprised of \$ 5. 5 million in lost profits damages and \$ 28. 5 million in royalty damages for commercial sales of the Hydrus Microstent for the period between its commercial launch through trial. The patents at issue were U. S. Patent Nos. 8, 287, 482, 9, 370, 443, and 11, 389, 328. In December 2024, the Court held an in- person hearing to hear the parties’ oral arguments on their post- trial briefings at the conclusion of which, the Court ordered the parties to engage in non- binding mediation. In early March 2025, we and Alcon informed the Court that we had not resolved our dispute through mediation and asked the Court to decide the parties’ post- trial motions and enter a judgement, which judgement will be subject to appeal. It is possible that the jury verdict that was rendered in our favor may be reduced, limited or vacated by the Court or by the appellate court if appealed.** We are presently unable to predict the outcome of this lawsuit ~~or to reasonably estimate the potential financial impact of the lawsuit~~ **on**, which exposes us, **if any** to the intellectual property litigation risk factors described herein. If we are unable to protect the confidentiality of our other proprietary information, our business and competitive position may be harmed. In addition to seeking patent protection for our products, we also rely upon unpatented trade secrets, know- how and continuing technological innovation to develop and maintain a competitive position. We seek to protect such proprietary information, in part, through confidentiality agreements with our employees, collaborators, contractors, advisors, consultants and other third parties and invention assignment agreements with our employees. We cannot guarantee that we have entered into such agreements with each party that has or may have had access to our trade secrets or proprietary information. Additionally, 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 inside 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 or other third party, we would have no right to prevent them 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 or other third party, our competitive position would be materially and adversely harmed. Furthermore, we expect these trade secrets, know- how and proprietary information to over time be disseminated within the industry through independent development, the publication of journal articles describing the methodology and the movement of personnel from academic to industry scientific positions. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. In addition, our trade secrets may otherwise become known, or be independently discovered by, competitors. We may be subject to claims that we or our employees have misappropriated the intellectual property of a third party, including trade secrets or know- how, or are in breach of non- competition or non- solicitation agreements with our competitors. Many of our employees and consultants were previously employed at or engaged by other medical device, biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees and consultants may have executed proprietary rights, non- disclosure and non- competition agreements in connection with such previous employment. Although we try to ensure that our employees and consultants do not use the

intellectual property, proprietary information, know-how or trade secrets of others in their work for us, we may be subject to claims that we or these individuals have, inadvertently or otherwise, misappropriated the intellectual property or disclosed the alleged trade secrets or other proprietary information of these former employers or competitors or other third parties. To the extent that our employees, consultants or contractors use intellectual property or proprietary information owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Litigation may be necessary to defend against these claims. There is no guarantee of success 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 as described above. We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property. We may also be subject to claims that former employees, collaborators, or other third parties have an ownership interest in our current or future patents, patent applications, or other intellectual property, including as an inventor or co-inventor. We may be subject to ownership or inventorship disputes in the future arising, for example, from conflicting obligations of consultants, contractors or others who are involved in developing our products. Although it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing or the assignment agreements may be breached, and litigation may be necessary to defend against these and other claims challenging inventorship or ownership. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property, and other owners may be able to license their rights to other third parties, including our competitors. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Additionally, we may be subject to claims from third parties challenging our ownership interest in intellectual property we regard as our own, based on claims that our employees or consultants have breached an obligation to assign inventions to another employer, to a former employer, or to another person or entity. Litigation may be necessary to defend against any other claims, and it may be necessary or we may desire to enter into a license to settle any such claim; however, there can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all. If our defense to those claims fails, in addition to paying monetary damages, a court could prohibit us from using technologies or features that are essential to our products, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. An inability to incorporate technologies or features that are important or essential to our products could have a material adverse effect on our business, financial condition and results of operations, and may prevent us from selling our products. In addition, we may lose valuable intellectual property rights or personnel. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our products, which could have an adverse effect on our business, financial condition and results of operations. If our trademarks and tradenames are not adequately protected, then we may not be able to build name recognition in our markets and our business may be adversely affected. Our trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to be violating or 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 among potential partners and customers in our markets of interest. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement or dilution claims brought by owners of other trademarks. 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. Our efforts to enforce or protect our proprietary rights related to trademarks, trade secrets, domain names or other intellectual property may be ineffective, could result in substantial costs and diversion of resources and could adversely affect our business, financial condition and results of operations.

**Risks Related to Government Regulation** Our products, business practices, and operations are subject to extensive government regulation and oversight in the United States and elsewhere. Our products are regulated as medical devices by the FDA and foreign regulatory authorities. We and our products are subject to extensive regulation in the United States and elsewhere, including by state agencies, the FDA and the FDA's foreign counterparts. The FDA and foreign regulatory agencies regulate, among other things, with respect to medical devices: design, development, manufacturing and release; laboratory, preclinical and clinical testing; labeling, packaging, content and language of instructions for use and storage; product safety and efficacy; establishment registration and device listing; marketing, sales and distribution; pre-market clearance, approval, and certification; service operations; record keeping procedures; advertising and promotion; recalls and field safety corrective actions; post-market surveillance, including reporting of deaths or serious injuries and malfunctions that, if they were to recur, could lead to death or serious injury; post-market studies; and product import and export. The law and regulations to which we are subject are complex, burdensome to understand and apply and have tended to become more stringent over time. Legal and regulatory changes could result in restrictions on our ability to carry on or expand our operations, higher than anticipated costs or lower than anticipated sales. The FDA and foreign regulatory authorities enforce these regulatory requirements through, among other means, periodic (unannounced) inspections and periodic reviews of public marketing and promotion materials. We do not know whether we will be found compliant in connection with any future FDA or foreign inspections or reviews. Failure to comply with applicable regulations could jeopardize our ability to sell our products and result in enforcement actions such as: warning letters; untitled letters; fines; injunctions; civil penalties; termination of distribution; recalls or seizures of products; delays in the introduction of products into the market; total or partial suspension of production; refusal to grant future clearances, approvals, or certifications; withdrawals or suspensions of current approvals or certifications, resulting in prohibitions on sales of our products; and in the most serious cases, criminal penalties. We may not receive, or may be delayed in receiving, the necessary

clearances, certifications or approvals for our future products or modifications to our current products, and failure to timely obtain ~~necessary or retain such~~ clearances, certifications or approvals ~~for our future products or modifications to our current products~~ would adversely affect our ability to grow our business. In the U. S., before we can market a new medical device, or a new use of, new claim for or significant modification to an existing product, we must first receive either clearance under Section 510 (k) of the FDCA ~~or ("510 (k)"),~~ or approval of a pre- market approval application ~~or ("PMA ")~~ from the FDA, unless an exemption from pre- market review applies. In the process of obtaining PMA approval, the FDA 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, preclinical, clinical trial, manufacturing and labeling data. The PMA process is typically required for devices that are deemed to pose the greatest risk, such as life- sustaining, life- supporting or implantable devices. In the U. S., we have obtained clearance from the FDA of OMNI and TearCare through the 510 (k) clearance process and SION is registered with the FDA as a Class I 510 (k) exempt device. Any further modification to these products or their intended uses may require us to submit new regulatory filings, including new 510 (k) premarket notifications to obtain clearance, or PMA submissions to obtain FDA approval prior to implementing the change. Specifically, any modification to a 510 (k)- cleared device that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, design or manufacture, requires a new 510 (k) clearance or, possibly, approval of a PMA. The FDA requires every manufacturer to make this determination in the first instance, but the FDA may review any manufacturer' s decision. If the FDA disagrees with our determination and requires us to submit new 510 (k) notifications or PMA applications for modifications to our products for which we have concluded that new clearances or approvals are unnecessary, we may be required to cease marketing or to recall the modified product until we obtain clearance or approval, and we may be subject to significant regulatory fines or penalties. Both the PMA approval and the 510 (k) clearance process can be expensive, lengthy and uncertain. The 510 (k) clearance process usually takes from three to 12 months, whereas the process of obtaining a PMA generally takes from one to three years, or even longer, from the time the application is submitted to the FDA. Despite the time, effort and cost, a device may not be approved or cleared by the FDA. If the FDA requires us to go through a lengthier, more rigorous examination for future products or modifications to existing products than we had expected, product introductions or modifications could be delayed or canceled, which could adversely affect our ability to grow our business. Further, regulatory enforcement or inquiries, or other increased scrutiny on us, could dissuade some customers from using our products and adversely affect our reputation and the perceived safety or efficacy of our products. In addition, even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the device, which may limit the market for the device. The FDA can delay, limit or deny clearance or approval of a device for many reasons, including: • Our inability to demonstrate to the satisfaction of the FDA that our products are safe or effective for their intended uses; • The disagreement of the FDA with the design or conduct of our clinical trials or the interpretation of data from preclinical studies or clinical trials; • Serious and unexpected adverse device effects experienced by participants in our clinical trials; • The data from our preclinical studies and clinical trials may be insufficient to support clearance or approval, where required; • Our inability to demonstrate that the clinical and other benefits of the device outweigh the risks; • The manufacturing process or facilities we use may not meet applicable requirements; and • The potential for approval policies or regulations of the FDA to change significantly in a manner rendering our clinical data or regulatory filings insufficient for clearance or approval. Subject to the transitional provisions and in order to sell our products in EU member states, our products must comply with the general safety and performance requirements of the EU MDR, which repeals and replaces the Medical Devices Directive. Compliance with these requirements is a prerequisite to be able to affix the ~~European Conformity, or CE,~~ **marked Marked** mark to our products, without which they cannot be sold or marketed in the EU. All medical devices placed on the market in the EU must meet the general safety and performance requirements laid down in Annex I to the EU MDR including the requirement that a medical device must be designed and manufactured in such a way that, during normal conditions of use, it is suitable for its intended purpose. Medical devices must be safe and effective and must not compromise the clinical condition or safety of patients, or the safety and health of users and – where applicable – other persons, provided that any risks which may be associated with their use constitute acceptable risks when weighed against the benefits to the patient and are compatible with a high level of protection of health and safety, taking into account the generally acknowledged state of the art. To demonstrate compliance with the general safety and performance requirements, we must undergo a conformity assessment procedure, which varies according to the type of medical device and its (risk) classification. A conformity assessment procedure generally requires the intervention of a notified body. The notified body would typically audit and examine the technical file and the quality system for the manufacture, design and final inspection of our devices. If satisfied that the relevant product conforms to the relevant general safety and performance requirements, the notified body issues a certificate of conformity, which the manufacturer uses as a basis for its own declaration of conformity. The manufacturer may then apply the CE mark to the device, which allows the device to be placed on the market throughout the EU. If we fail to comply with applicable laws and regulations, we would be unable to affix the CE mark to our products, which would prevent us from selling them within the EU. We must inform the notified body that carried out the conformity assessment of the medical devices that we market or sell in the EU and the EEA of any planned substantial changes to our quality system or substantial changes to our medical devices that could affect compliance with the general safety and performance requirements laid down in Annex I to the MDR or cause a substantial change to the intended use for which the device has been ~~CE marked~~ **Marked**. The notified body will then assess the planned changes and verify whether they affect the products' ongoing conformity with the EU MDR. If the assessment is favorable, the notified body will issue a new certificate of conformity or an addendum to the existing certificate attesting compliance with the general safety and performance requirements and quality system requirements laid down in the Annexes to the MDR. On December 5, 2023, ~~we the Company~~ received approval of the OMNI Surgical System family of products under the EU ~~Medical Device Regulation ("EU MDR ")~~, fulfilling these requirements. As a result of the transition towards the new regime, notified body review times have lengthened, and obtaining re- certification of our products, seeking

product introductions or modifications could be delayed or canceled, which could adversely affect our ability to grow our business in the EU. The aforementioned EU rules are generally applicable in the EEA. Non-compliance with the above requirements would also prevent us from selling our products in these three countries. We may incur significant liability if it is determined that we are promoting off-label uses of our products in violation of federal and state regulations in the United States or elsewhere. Our promotional materials and training methods must comply with FDA and other applicable laws and regulations, including the prohibition against the promotion of the off-label use of our products or the pre-promotion of unapproved products. Healthcare providers may use our products off-label, as the FDA does not restrict or regulate a physician's choice of treatment within the practice of medicine. However, if the FDA determines that our promotional materials or training constitutes promotion of an off-label use or the pre-promotion of an unapproved product, it could request that we modify our training or promotional materials or subject us to regulatory or enforcement actions, including the issuance of an untitled letter, a warning letter, injunction, seizure, civil fines and criminal penalties. It is also possible that other federal, state or foreign enforcement authorities might take action if they consider our promotional or training materials to constitute promotion of an unapproved use, which could result in significant fines or penalties. Although our policy is to refrain from statements that could be considered off-label promotion of our products or pre-promotion of an unapproved product, the FDA or another regulatory agency could disagree and conclude that we have engaged in improper promotional activities. In addition, the off-label use of our products may increase the risk of product liability claims, which are expensive to defend and could result in substantial damage awards against us and harm our reputation. Failure to comply with post-marketing regulatory requirements could subject us to enforcement actions, including substantial penalties, and might require us to recall or withdraw a product from the market. Even though we have obtained clearance from the FDA for OMNI and TearCare and registration for SION in the U. S. and certifications for OMNI in the EU, we are subject to ongoing and pervasive regulatory requirements governing, among other things, the manufacture, marketing, advertising, medical device reporting, sale, promotion, import, export, registration, and listing of devices. For example, we must submit periodic reports to the FDA as a condition of 510 (k) clearance. These reports include information about failures and certain adverse events associated with the device after its clearance. Failure to submit such reports, or failure to submit the reports in a timely manner, could result in enforcement action by the FDA. Following its review of the periodic reports, the FDA might ask for additional information or initiate further investigation. In addition, we must maintain an active registration of our facilities and listing of our products in order to legally market them in the United States. If the FDA were to disagree with our product listing or otherwise take issue with our registration and listing compliance, it could result in delisting of our products or other enforcement action resulting in potential inability to market our products. For example, in October 2020, the FDA communicated to us that the previous version of our TearCare System may not have been eligible for an exemption from 510 (k) clearance. In response to that communication, among other things, we submitted a 510 (k) premarket notification seeking clearance for TearCare in November 2020. The FDA requested several safety tests and modifications to this submission which we believe would have required additional time to complete beyond the designated review process. We voluntarily withdrew this submission in May 2021 to allow us to comply with the FDA's requests in a comprehensive manner. We completed the additional testing and modifications requested by the FDA and received 510 (k) clearance of TearCare for an expanded indication for use in December 2021. In February 2022, we received further communications from the FDA regarding the appropriateness of the marketing and distribution of our legacy TearCare Systems as a 510 (k)- exempt device without premarket notification to and authorization from the FDA. We conducted a voluntary recall of our legacy TearCare system because the FDA informed us that the legacy system's advanced technology made it ineligible for an exemption from 510 (k) clearance. Further, this voluntary recall did not involve the new version of the TearCare system, which has received premarket clearance from the FDA and will remain on the market. We provided notice to the FDA in the fourth quarter of 2022 that we had completed all activities associated with the recall and had closed our files. The regulations to which we are subject are complex and have become more stringent over time. Regulatory changes could result in restrictions on our ability to continue or expand our operations, higher than anticipated costs, or lower than anticipated sales. Even after we have obtained the proper regulatory clearance to market a device, we have ongoing responsibilities under FDA regulations and applicable foreign laws and regulations. The FDA, state and foreign regulatory authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA, state or foreign regulatory authorities, which may include any of the following sanctions or consequences: • Untitled letters, warning letters or adverse publicity; • Fines, injunctions, consent decrees and civil penalties; • Recalls, termination of distribution, administrative detention, or seizure of our products; • Customer notifications or repair, replacement or refunds; • Delays in or refusal to grant our requests for future clearances or approvals or foreign clearance, certification or approval of new products, new intended uses, or modifications to existing products; • Withdrawals or suspensions of 510 (k) clearances or certifications or Class I registrations, or requirements for new 510 (k) or PMA clearances, certifications, or approvals, resulting in prohibitions on sales of our products pending such further clearance or certification; • FDA refusal to issue certificates to foreign governments needed to export products for sale in other countries; and Any of these sanctions could result in higher than anticipated costs or lower than anticipated sales and have a material adverse effect on our reputation, business, financial condition and results of operations. In addition, the FDA and foreign regulatory authorities may change their clearance or certification policies, adopt additional regulations or revise existing regulations, or take other actions, which may prevent or delay clearance, approval, or certification of our future products under development or impact our ability to modify our currently cleared or certified products on a timely basis. Such policy or regulatory changes could impose additional requirements upon us that could delay our ability to obtain new clearances, approvals, or certifications, increase the costs of compliance or restrict our ability to maintain our clearances and certifications of our current products. A recall or suspension of our products, or the discovery of serious safety issues with our products, could have a significant negative impact on us. The methods used in, and the facilities used for, the manufacture of our products must comply with the FDA's QSR and, subject to transitional provisions, the EU **Medical Device**

**Regulation (“ EU MDR ”)**, both of which are complex regulatory schemes that cover the procedures and documentation of the design, testing, production, process controls, quality assurance, labeling, packaging, handling, storage, distribution, installation, servicing and shipping of medical devices. Furthermore, we are required to maintain, and to verify that our suppliers maintain, facilities, procedures and operations that comply with our quality standards and applicable regulatory requirements. Our products are also subject to similar state regulations, various laws and regulations of foreign countries governing manufacturing and a requirement for adherence to industry standards of the International Standards Organization (" ISO") in connection with our medical device operations outside of the United States. Failure by us or one of our third- party suppliers to comply with applicable FDA or foreign requirements or later discovery of previously unknown problems with our products or manufacturing processes could result in, among other things civil penalties, suspension or withdrawal of clearances, seizures or recalls of our products, total or partial suspension of production or distribution, refusal to grant pending or future clearances, approvals, or certifications for our products, clinical holds, refusal to permit the import or export of our products, and criminal prosecution. Furthermore, regulatory authorities have broad discretion to require the recall or suspension of a product or to require that manufacturers alert customers of safety risks. A government- mandated or voluntary recall or suspension by us, one of our distributors or any of our third- party suppliers could occur as a result of an unacceptable risk to health, component failures, manufacturing errors, design or labeling defects or other deficiencies and issues. Recalls, suspensions or other notices relating to any products that we distribute would divert managerial and financial resources, and have an adverse effect on our reputation, financial condition and operating results. Further, under the FDA’ s medical device reporting regulations and similar foreign regulations, we are required to maintain appropriate quality systems and report incidents in which our product may have caused or contributed to serious injury or death in which our product malfunctioned and, if the malfunction were to recur, would likely cause or contribute to serious injury or death. Repeated product malfunctions may result in a voluntary or involuntary product recall or suspension of product sales, which could divert managerial and financial resources, impair our ability to manufacture our products in a cost- effective and timely manner and have an adverse effect on our reputation, financial condition and operating results. If we initiate a correction or removal for our products to reduce a risk to health posed by them or to remedy a violation of law that may present a risk to health, we would be required to submit a report to the FDA and may be required to submit similar notifications to other regulatory authorities. This report could lead to increased scrutiny by the FDA, other foreign regulatory agencies and our customers regarding the quality and safety of our products. Furthermore, the submission of these reports, to the extent made publicly available in accordance with FDA regulations, could be used by competitors against us or otherwise publicized and cause physicians to delay or cancel product orders, which will harm our reputation. Depending on the corrective action we take to redress a product’ s deficiencies or defects, the FDA or FDA’ s foreign counterparts may require, or we may decide, that we will need to obtain new clearances, certifications or approvals for the device before we may market or distribute the corrected device. Seeking such clearances, certifications or approvals may delay our ability to replace the recalled devices in a timely manner. Moreover, if we do not adequately address problems associated with our devices, we may face additional regulatory enforcement action, including FDA warning letters, product seizure, injunctions, administrative penalties or civil or criminal fines. We have received ISO 13485: 2016 certification for our quality management system. ISO certification generally includes recertification audits every third year, scheduled annual surveillance audits and periodic unannounced audits. We can provide no assurance that we will be found to remain in compliance with the QSR or ISO standards upon a regulator’ s review. If the FDA, other regulator, or notified body, inspect or audit any of our manufacturers’ facilities and discovers compliance problems, we may have to cease manufacturing and product distribution until we can take the appropriate remedial steps to correct the audit findings. Any of the actions noted above could significantly and negatively affect supply of our products. Taking corrective action may be expensive, time- consuming and a distraction for management. If any of these events occurs, our reputation could be harmed, we could be exposed to product liability claims and we could lose customers and experience reduced sales and increased costs. If we do not obtain and maintain applicable regulatory registrations, clearances, certifications or approvals for our products, we will be unable to market and sell our products outside of the U. S. ~~We intend to expand our sales operations outside of the U. S.~~ Sales of our products outside of the U. S. are subject to foreign regulatory requirements that vary widely from country to country. In addition, the FDA regulates exports of medical devices from the U. S. While the regulations of some countries may not impose barriers to marketing and selling our products or only require notification, others require that we obtain the clearance or approval of a specified regulatory body. Complying with foreign regulatory requirements, including obtaining registrations, clearances, certifications or approvals, can be expensive and time- consuming, and we may not receive regulatory clearances, certifications or approvals in each country in which we plan to market our products or we may be unable to do so on a timely basis. The time required to obtain registrations, clearances, certifications or approvals, if required by other countries, may be longer than that required for FDA clearance or approval, and requirements for such registrations, clearances, certifications or approvals may significantly differ from FDA requirements. If we modify our products, we may need to apply for regulatory clearances or approvals before we are permitted to sell the modified product. In addition, we may not continue to meet the quality and safety standards required to maintain the authorizations that we have received. If we are unable to maintain our authorizations in a particular country, we will no longer be able to sell the applicable product in that country. Regulatory clearance or approval by the FDA does not ensure registration, clearance, certification or approval by regulatory authorities or notified bodies in other countries, and registration, clearance, certification or approval by one or more foreign regulatory authorities or notified bodies does not ensure registration, clearance, certification or approval by regulatory authorities or notified bodies in other foreign countries or by the FDA. However, a failure or delay in obtaining registration or regulatory clearance, certification or approval in one country may have a negative effect on the regulatory process in others. We are subject to certain federal, state and foreign fraud and abuse laws, health information privacy and security laws and transparency laws that could subject us to substantial penalties. Additionally, any challenge to or investigation into our practices under these laws could cause adverse publicity and be costly to respond to, and thus could harm

our business. There are numerous U. S. federal and state, as well as foreign, laws pertaining to healthcare fraud and abuse, including anti- kickback, false claims and physician transparency laws. Our business practices and relationships with providers are subject to scrutiny under these laws. We may also be subject to privacy and security regulation related to patient, customer, employee and other third- party information by both the federal government and the states and foreign jurisdictions in which we conduct our business. The healthcare laws and regulations that may affect our ability to operate include **the following**, but are not limited to:

- The federal Anti- Kickback Statute, which prohibits, among other things, individuals and entities from knowingly and willfully soliciting, offering, receiving or providing remuneration (including any kickback, bribe or rebate), directly or indirectly, in cash or in kind, to induce either the referral of an individual or furnishing or arranging for a good or service, for which payment may be made, in whole or in part, under federal healthcare programs, such as Medicare and Medicaid;
- The federal and state civil and criminal false claims laws and civil monetary penalties laws, including the federal civil False Claims Act, which prohibit, among other things, individuals and entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid, state Medicaid programs, other third- party payors, or other federal healthcare programs that are false or fraudulent;
- The federal Civil Monetary Penalties Law, which prohibits, among other things, individuals and entities from offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary’ s decision to order or receive items or services reimbursable by the government from a particular provider or supplier;
- HIPAA, which created additional federal criminal statutes that prohibit, among other things, executing a scheme to defraud any healthcare benefit program and making false statements relating to healthcare matters;
- Federal disclosure laws, such as the Physician Payments Sunshine Act, which require certain applicable manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or CHIP to report annually to the CMS information related to payments and other transfers of value to physicians, which is defined broadly to include other healthcare providers, and teaching hospitals, and to report annually ownership and investment interests held by physicians and their immediate family members;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (“HITECH Act”), and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans and healthcare clearinghouses as well as their business associates that perform services for them that involve individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information without appropriate authorization, including mandatory contractual terms as well as directly applicable privacy and security standards and requirements;
- The FDCA, which prohibits, among other things, the adulteration or misbranding of drugs, biologics and medical devices;
- Federal and state laws and regulations regarding billing and claims payment applicable to our products and regulatory agencies enforcing those laws and regulations; and
- Analogous state and foreign law equivalents of each of the above federal laws, such as anti- kickback and false claims laws, which may apply to items or services reimbursed by any third- party payor, including commercial insurers or patients; state laws that require device companies to comply with the industry’ s voluntary compliance guidelines and the applicable compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws that require device manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm customers, foreign and state laws, including the GDPR, governing the privacy and security of personal (including health) information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts; and state laws related to insurance fraud in the case of claims involving private insurers.

These laws and regulations, among other things, constrain our business, marketing and other promotional and research activities by limiting the kinds of financial arrangements, including sales programs, we may have with hospitals, ambulatory surgery centers, physicians or other potential purchasers of our products. We have entered into consulting agreements with physicians, including some who have ownership interests in us, which could be viewed as influencing the purchase of or use of our products in procedures they perform. Compensation under some of these arrangements includes the provision of stock or stock options. Due to the breadth of these laws, the narrowness of statutory exceptions and regulatory safe harbors available, and the range of interpretations to which they are subject, it is possible that some of our current or future practices might be challenged under one or more of these laws. To enforce compliance with the healthcare regulatory laws, certain enforcement bodies have recently increased their scrutiny of interactions between healthcare companies and healthcare providers, which has led to investigations, prosecutions, convictions and settlements in the healthcare industry. Responding to investigations can be time –and resource- consuming and can divert management’ s attention from the business. Additionally, as a result of these investigations, healthcare providers and entities may have to agree to additional compliance and reporting requirements as part of a consent decree or corporate integrity agreement. Any such investigation or settlement could increase our costs or otherwise have an adverse effect on our business, financial condition and results of operations. Even an unsuccessful challenge or investigation into our practices could cause adverse publicity, and be costly to respond to. Our activities, including those relating to providing billing, coding, coverage and reimbursement information about procedures using our products to our customers and the sale and marketing of our products, may be subject to scrutiny under these laws. The growth of our business and sales organization and our expansion outside of the United States may increase the potential of violating these laws or our internal policies and procedures. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management’ s attention from the operation of our business, and could result in a material adverse effect on our reputation. If our operations are found to be in violation of any of the federal, state and foreign laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, we may be subject to significant penalties, including significant criminal, civil, and administrative penalties, damages, fines, exclusion from participation in government programs, such as Medicare and

Medicaid, imprisonment, contractual damages, reputation harm and disgorgement and we could be required to curtail, restructure or cease our operations. Any of the foregoing consequences will negatively affect our business, financial condition and results of operations. The scope and enforcement of these laws is uncertain and subject to rapid change in the current environment of healthcare reform. Our current or future activities could be subject to challenge under these laws. Any of these challenges could have a material adverse effect on our reputation, business, financial condition and operating results. If we are found to have violated laws concerning the privacy and security of patient health information or other personal information, we could be subject to civil or criminal penalties, which could increase our liabilities or harm our reputation or business. In the conduct of our business, we may at times **collect, store, and** process personal information, including health-related personal information. The U. S. federal government and various states and regulatory agencies, including the **FDA-U. S. Department Health and Human Services**, have adopted or proposed laws, regulations, guidelines and rules for the collection, distribution, use and storage of personal information **, including personal health information,** of individuals. These laws include HIPAA and related regulations, as well as the CCPA **, CPA,** and similar state **privacy and data security** laws. In addition, certain state and non- U. S. laws, such as GDPR, govern the privacy and security of personal (including health) data in certain circumstances, some of which are more stringent than U. S. federal law and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and / or criminal penalties and private litigation. Any actual or perceived failure by us or the third parties with whom we work to comply with privacy or security laws, policies, legal obligations or industry standards, or any security incident that results in the unauthorized **access,** release or transfer of personally identifiable information, may result in governmental enforcement actions and investigations including by European Data Protection Authorities and U. S. federal and state regulatory authorities, fines and penalties, litigation and / or adverse publicity, including by consumer advocacy groups, and could cause our customers, their patients and other healthcare professionals to lose trust in us, which could harm our reputation and have a material adverse effect on our business, financial condition and results of operations. Our employees, consultants, and other commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements. We are exposed to the risk that our employees, consultants, distributors and other commercial partners and business associates may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or other unauthorized activities that violate federal and / or state laws and regulations, such as laws or regulations requiring the reporting of true, complete and accurate information to such regulators, manufacturing standards, healthcare fraud and abuse laws and regulations in the U. S. and internationally or laws that require the true, complete and accurate reporting of financial information or data. In particular, sales, marketing and business arrangements in the healthcare industry, including the sale of medical devices, are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. It is not always possible to identify and deter misconduct by our employees, consultants and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant fines or other sanctions, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of operations, any of which could adversely affect our business, financial condition and results of operations. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees and reputational harm, and divert the attention of management in defending ourselves against any of these claims or investigations. Compliance with environmental laws and regulations could be expensive, and the failure to comply with these laws and regulations could subject us to significant liability. Our research and development operations involve the use of hazardous substances, such as isopropyl alcohol and various adhesives. We are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, handling, generation, manufacture, treatment, discharge and disposal of, hazardous substances. Our products may also contain hazardous substances, and they are subject to laws and regulations relating to labeling requirements and to their sale, collection, recycling, treatment, storage and disposal. Compliance with these laws and regulations may be expensive and noncompliance could result in substantial fines and penalties. Environmental laws and regulations also impose liability for the remediation of releases of hazardous substances into the environment and for personal injuries resulting from exposure to hazardous substances, and they can give rise to substantial remediation costs and to third-party claims, including for property damage and personal injury. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence, and they tend to become more stringent over time, imposing greater compliance costs and increased risks and penalties associated with violations. We cannot assure you that violations of these laws and regulations, or releases of or exposure to hazardous substances, will not occur in the future or have not occurred in the past, including as a result of human error, accidents, equipment failure or other causes. The costs of complying with environmental laws and regulations, and liabilities that may be imposed for violating them, or for remediation obligations or responding to third-party claims, could negatively affect our business, financial condition and results of operations. Risks Related to Our Common Stock The market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control or are related in complex ways, including: • Changes in analysts' estimates, investors' perceptions, recommendations by securities analysts or our failure to achieve analysts' estimates; • Changes in reimbursement coverage by current or potential payors, including new or updated local or national coverage determinations by one or more

MACs; • Actual or anticipated quarterly variations in our or our competitors' results of operations; • Periodic fluctuations in our revenue, which could be due in part to the way in which we recognize revenue; • The trading volume of our common stock; • General market conditions and other factors unrelated to our operating performance or the operating performance of our competitors; • Changes in operating performance and stock market valuations of other technology companies generally, or those in the medical device industry in particular; • Actual or anticipated changes in regulatory oversight of our products; • The results of our clinical trials; • The loss of key personnel, including changes in our board of directors or management; • Product recalls or other problems associated with our products; • Legislation or regulation of our market; • Lawsuits threatened or filed against us; • The announcement of new products or product enhancements by us or our competitors; • Announced or completed acquisitions of businesses or technologies by us or our competitors; • Announcements related to patents issued to us or our competitors and related litigation; and • Developments in our industry. In recent years the stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of listed companies. Broad market and industry factors may significantly affect the market price of our common stock, regardless of our actual operating performance. In addition, notwithstanding their subsequent withdrawal in late December 2023, the publication of the ~~Draft Prior~~ LCDs, as amended, by five of the seven MACs in June 2023, which would have rendered canaloplasty followed by trabeculotomy (ab interno), a procedure associated with our OMNI technology, investigational and thus non-covered in these MAC jurisdictions, adversely affected our business and prospects and resulted in a substantial decline in the market price of our common stock. Although the ~~Prior~~ LCDs were withdrawn before becoming effective, ~~we the Final LCDs that became effective in November 2024 contain certain restrictions on billing for MIGS procedures that will likely have an adverse impact on our OMNI sales results. We~~ believe that ~~these LCDs have contributed to~~ ongoing uncertainty among investors and other stakeholders regarding the coverage and reimbursement environment for procedures in which our products are used, ~~which uncertainty~~ continues to adversely affect our business and stock price. If new or updated LCDs, national coverage determinations, or other material coverage updates or determinations are published that could or would adversely affect coverage for procedures involving our OMNI technology, our business and prospects would be further adversely affected and our financial condition and results of operation could suffer. In addition, in the past, stockholders have instituted securities class action litigation against issuers following periods of stock price volatility. ~~For instance, After after~~ we announced in September 2023 a reduction in our full- year 2023 revenue guidance, several plaintiff' s class action firms announced the commencement of investigations pertaining to our compliance with securities laws. ~~Though We cannot predict whether any of these investigations will ultimately result in~~ ~~have not led to commencement of any~~ litigation, ~~the risk of such litigation is heightened at times when our financial performance and stock price are under pressure~~. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and harm our business, results of operations, financial condition and reputation. These factors may materially and adversely affect the market price of our common stock. As a public company, we are required to comply with the SEC' s rules implementing Sections 302 and 404 of the Sarbanes- Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. In particular, we must perform system and process evaluations, document our controls and perform testing of our key controls over financial reporting to allow management and our independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. We have incurred significant expense and devoted substantial management effort to complying with the requirements of Section 404 of the Sarbanes- Oxley Act, which we expect will continue. We anticipate hiring additional accounting and financial staff with appropriate public company experience and technical accounting knowledge to support future growth. If we are not able to comply with the requirements of Section 404 of the Sarbanes- Oxley Act or if we encounter difficulties in the timely and accurate reporting of our financial results, or if we or our independent registered public accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, our investors could lose confidence in our reported financial information, the market price of our stock may decline and we could be subject to lawsuits, sanctions or investigations by regulatory authorities, which would require additional financial and management resources. Material weaknesses in our internal control over financial reporting may cause us to fail to timely and accurately report our financial results or result in a material misstatement of our financial statements. ~~In connection with the preparation of our financial statements in connection with our IPO, we identified a material weakness in our internal controls due to a lack of sufficient full- time accounting personnel with requisite experience and deep technical accounting knowledge to (i) identify and resolve complex accounting issues under generally accepted accounting principles in the United States, or GAAP, and (ii) enable appropriate segregation of duties and reviews over the financial reviews over the financial close and reporting process. While we have remediated this- our previously identified~~ material weakness as of December 31, 2023, we cannot assure you that these or other measures will prevent future material weaknesses from occurring. As part of our remediation of the ~~previously identified~~ material weakness ~~identified above~~, we have hired additional accounting employees with specific technical accounting and financial reporting experience necessary for a public company. We will continue to assess the adequacy of our accounting personnel and resources, and will add additional personnel, as well as adjust our resources, as necessary, commensurate with any increase in the size and complexity of our business. If we identify future material weaknesses in our internal controls over financial reporting or fail to meet the demands that will be placed upon us as a public company, including the requirements of the Sarbanes- Oxley Act, we may be unable to accurately report our financial results or report them within the timeframes required by law or stock exchange regulations. Failure to comply with Section 404 could also potentially subject us to sanctions or investigations by the SEC or other regulatory authorities. If additional material weaknesses exist or are discovered in the future, and we are unable to remediate any such material weaknesses, our reputation, financial condition, and operating results could suffer. Provisions in our corporate charter documents and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders,

more difficult and may prevent attempts by our stockholders to replace or remove our current management. Provisions in our restated certificate of incorporation and our restated bylaws may discourage, delay or prevent a merger, acquisition or other change in control of our company that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, 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 of directors. Among other things, these provisions include those establishing:

- A classified board of directors with three- year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- No cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- The exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from filling vacancies on our board of directors;
- The ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- The ability of our board of directors to alter our bylaws without obtaining stockholder approval;
- The required approval of the holders of at least two- thirds of the shares entitled to vote at an election of directors to adopt, amend or repeal our bylaws or repeal the provisions of our restated certificate of incorporation regarding the election and removal of directors;
- A prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- The requirement that a special meeting of stockholders may be called only by the ~~chairman~~ **chairperson** of the board of directors, the chief executive officer, the president or the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- Advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer' s own slate of directors or otherwise attempting to obtain control of us. Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the General Corporation Law of the State of Delaware, which prohibits a person 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.