Risk Factors Comparison 2025-03-06 to 2024-03-01 Form: 10-K

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Our business is subject to numerous risks and uncertainties that you should be aware of in evaluating our business. These risks include, but are not limited to, the following: • Our business is substantially dependent on the successful development of our BET inhibitor product candidates; • We may encounter delays in enrolling patients and successfully completing clinical trials for our product candidates, and may be delayed in, or prevented from, commencing such trials due to factors that are largely beyond our control; • Clinical drug development is very expensive, time- consuming and uncertain. Our preclinical studies and clinical trials may fail to adequately demonstrate the safety and efficacy of our current or any future product candidates, which could prevent or delay regulatory approval and commercialization as well as prevent or delay our ability to pursue strategic alternatives for our product candidates; • New chemical entities may require more time and resources for development, testing and regulatory approval; • Results obtained in preclinical studies and completed clinical trials may not predict success in later clinical trials; • Top **-** line and preliminary data from our clinical trials that we announce or publish from time to time may change as additional data become available and are subject to audit and verification procedures that could result in material changes in the final data; • We have a limited history as a clinical- stage biopharmaceutical company developing product candidates for immuno- inflammatory conditions, which may make it difficult to assess our future viability; • We may spend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success; • We have not obtained regulatory approvals to market our other pipeline product candidates, and we may be delayed in obtaining or fail to obtain such regulatory approvals and to commercialize these product candidates; • Our failure to successfully in- license, acquire, develop and market additional product candidates or approved products could impair our ability to grow our business; • We may engage in strategic transactions, which could impact our liquidity, increase our expenses and present significant distractions to our management; • We may decide not to continue developing any of our product candidates at any time during development or of any of our products after approval, which would reduce or eliminate our potential return on investment for those product candidates or products; • We are subject to various U. S. federal, state, local and foreign health care fraud and abuse laws, including anti- kickback, self- referral, false claims and fraud laws, health information privacy and security, and transparency laws, and any violations by us of such laws could result in substantial penalties or other consequences including criminal sanctions, civil penalties, contractual damages, reputational harm, and diminished profits and future earnings. 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; • Legislative or regulatory healthcare reforms in the United States may make it more difficult and costly for us to obtain regulatory clearance or approval of our product candidates and to produce, market, and distribute our products after clearance or approval is obtained; • We are subject to various risks and uncertainties arising out of the completed divestiture of our commercial business, any of which could materially and adversely affect our business, operations and stock price; and • The trading price of the shares of our common stock is volatile, and stockholders could incur substantial losses. PART I ITEM 1- BUSINESS Overview We are a clinical- stage biopharmaceutical company focused on developing ~~proprietary, innovative and~~ differentiated therapies **to treat chronic** ~~for the treatment of immuno-~~ inflammatory **and immune- mediated** conditions ~~. In August 2021, we entered into a transaction~~ with ~~Tay Therapeutics Ltd~~ **high unmet need** . **We have** ~~, formerly known as In4Derm Ltd. (" Tay"), providing us with~~ exclusive worldwide rights to research, develop and commercialize products containing **small molecule** bromodomain and extra- terminal domain (" BET ") inhibitors for the treatment of any disease, disorder or condition in humans **, which we licensed from Tay Therapeutics Ltd., formerly known as In4Derm Ltd (" Tay"). BET proteins are epigenetic enablers of transcription that regulate the expression of specific genes. Each BET protein consists of two bromodomains (" BD1 " and " BD2 ") and one end terminal (" ET ") domain** . Through our **transaction with Tay, we obtained** access to ~~this~~ **a** library of new ~~chemical~~ **small molecule** BET inhibitor compounds **including those that inhibit both BD1 and BD2 (" pan- BD " BET inhibitor) and that selectively inhibit BD2 (" BD2- selective " BET inhibitor). Through our access to this library of new BET inhibitors, which comprise our InhiBET ™ portfolio** , we plan to develop product candidates for a diverse set of **therapeutic** indications. **We** ~~Based on data generated to date, we~~ have chosen to **initially** focus our ~~initial~~ **development** efforts ~~for this platform~~ **with these molecules** on ~~select therapeutic areas in immuno~~ **immune** - **mediated** inflammatory ~~disease~~ **diseases , which are not being targeted by current BET inhibitors in development** . Our lead program is **repibresib gel (also known as** VYN201 **)** , a ~~locally~~ **topically** administered **, small molecule** pan- ~~bromodomain (" BD~~ ~~")~~ BET inhibitor designed as a " soft " drug to address diseases involving multiple, diverse inflammatory cell signaling pathways while providing low systemic exposure. In preclinical testing, ~~VYN201~~ **repibresib** produced consistent reductions in pro- inflammatory and disease- related biomarkers and improvements in disease severity across a variety of inflammatory and fibrotic **preclinical** models. In November 2022, we initiated a Phase **1** ~~1a / b~~ clinical trial evaluating a ~~VYN201 ointment for~~ **topical formulation of repibresib first in healthy volunteers (Phase 1a) and** ~~the~~ **then** ~~treatment of~~ **in subjects (Phase 1b) with** nonsegmental vitiligo **(NSV), an immune- mediated condition that has a high unmet need and only one approved therapy** . In the first quarter of 2023, we announced positive preliminary safety and tolerability, **including** ~~pharmacokinetic and~~ hematology data **, and predicted pharmacokinetic results (minimal systemic exposures)** from the Phase 1a portion of the trial. **We initiated** ~~The first nonsegmental vitiligo patient was dosed in~~ the Phase 1b portion of the trial in **NSV subjects in** January 2023 ~~,~~ and ~~on October 30, 2023, we~~ announced positive data from the Phase 1b trial ~~,~~ in ~~which~~ **October 2023. We showed** significant clinical ~~improvement~~ **improvements** in ~~facial~~ vitiligo **involving the**

face, which has the greatest psychosocial impact on patients, after 16 weeks of treatment using the Facial- Vitiligo ~~area~~ Area ~~scoring~~ Scoring ~~index~~ Index (" F- VASI") ~~was observed in the 1 % and 2 % dose cohorts after 16 weeks of treatment~~. We ~~have~~ initiated ~~Phase 2b preparatory activities and expect to advance~~ a ~~gel formulation of VYN201 into a longer duration~~ Phase 2b trial ~~to~~ with repibresib gel in NSV subjects in June 2024. The Phase 2b trial is a randomized, double- blind, vehicle-controlled trial ~~evaluate~~ evaluating the ~~optimal dosing and peak~~ efficacy , safety and pharmacokinetics of once- daily repibresib gel in NSV subjects in three dose cohorts (1 %, 2 % or 3 % concentrations) compared to vehicle over 24 weeks, followed by a 28- week active treatment extension with subjects on vehicle crossing over to active doses. We enrolled approximately 45 patients ~~with active or stable nonsegmental vitiligo~~ in ~~the second quarter of 2024 with~~ each arm and expect to report top - line results from the 24- week double- blind portion of the trial ~~anticipated~~ in mid- 2025. Our second program is VYN202, an oral , small molecule BD2- selective BET inhibitor . Prior studies have shown that while BD1 modulates cell- cycling and homeostatic functions, BD2 regulates gene expression of pro- inflammatory mediators in cells . VYN202 has been designed to achieve potential class- leading potency and selectivity ~~(~~ for BD2 vs. BD1 ~~), maximum potency versus BD2 and optimal oral bioavailability~~. By maximizing BD2 selectivity, we believe VYN202 has the potential to be a potent oral immunomodulator ~~more conveniently- administered non- biologic treatment~~ option for both acute control and chronic management of ~~immuno~~ immune - mediated inflammatory ~~indications~~ -- conditions , ~~where~~ without the ~~damaging~~ hematologic and gastrointestinal adverse effects ~~of unrestricted inflammatory signaling activity are common~~ associated with earlier generation systemic pan- BD BET inhibitors that were being developed in oncologic settings . We have ~~submitted an Investigational New Drug application (" IND ") for VYN202 to the U. S. Food & Drug Administration (the" FDA") in December 2023. We recently received correspondence from the FDA informing us that our Phase 1a clinical trial is on hold and requesting that we submit data from an additional nonclinical study. We recently~~ completed a ~~the additional nonclinical study which achieved preliminary results consistent with our expectations at the outset of the study. We plan to submit the requested nonclinical information to the FDA by the end of the first quarter of 2024 and, if cleared by the FDA, we expect to initiate our~~ Phase 1a single ascending dose / multiple ascending dose (" SAD / MAD") trial of VYN202 in healthy volunteers and announced positive data from this trial in December ~~the second quarter of~~ 2024 ~~,~~. We observed that VYN202 had a favorable safety and tolerability profile with no drug- related adverse events historically associated with earlier generation, less BD2- selective BET inhibitors. VYN202 also demonstrated robust pharmacodynamic activity including evidence of target engagement and inhibition of several inflammatory biomarkers relevant to immune- mediated disorders in ex vivo stimulation assays. We initiated a Phase 1b trial in February 2025 in adult subjects with moderate-to- severe plaque psoriasis. The Phase 1b trial is a randomized, double- blind, placebo- controlled trial of once daily treatment with VYN202 capsules dosed for 12 weeks, to primarily evaluate the safety of VYN202 across four cohorts (0. 25 mg, 0. 5 mg, 1 mg doses and placebo), with secondary objectives that include pharmacokinetics and preliminary evidence of efficacy via endpoints evaluating improvements from baseline in psoriasis area and severity index (PASI) scores. The trial will also include a 4- week safety follow- up visit after completion of the 12- week dosing period. We expect to enroll approximately 80 subjects with moderate- to- severe plaque psoriasis and to report top - line results from the placebo- controlled trial by ~~anticipated in~~ the end ~~second half~~ of ~~2024~~ 2025 . Additionally ~~If the Phase 1a portion of the trial is successfully completed~~ , we ~~plan to initiate~~ anticipate that the data from the Phase 1b ~~trials~~ - trial in ~~subjects with moderate- to- severe~~ plaque psoriasis subjects will provide key insights into VYN202' s potential activity across a range ~~and moderate- to- severe adult- onset rheumatoid arthritis, with top line results anticipated in the second half~~ of ~~2025~~ immune-mediated diseases . We intend to advance our product candidates through further phases of clinical development toward regulatory approval. As part of our strategy to maximize the value of our pipeline, we may partner with larger pharmaceutical companies to expand and accelerate the development of our programs and explore other indications and therapeutic areas outside of our core focus in ~~immunology~~ immune- mediated diseases . BET ~~Inhibition~~ Proteins: Key Epigenetic Regulators of NF- kB, ~~and~~ - an ~~Immuno-~~ Orchestrator of ~~Inflammatory~~ Inflammation ~~Disease~~ BET proteins are epigenetic enablers of transcription that regulate the expression of specific genes. ~~Each BET protein consists of two bromodomains (BD1 and BD2) and one end terminal domain. BD1 and BD2 enable chromatin remodeling and recruit transcription factors to facilitate gene transcriptions.~~ In some cases, BET proteins can activate oncogenes via BD1 , thereby leading to increased cell proliferation and survival ~~and an increase in~~ that may lead to formation of solid tumors and hematologic malignancies. BET inhibitors have the potential to downregulate the expression of such oncogenes. These observations have resulted in the generation and clinical investigation of BET inhibitors in several cancer subtypes by various pharmaceutical companies, including large pharmaceutical companies. In addition ~~to impacting oncogenetics~~ , BET proteins can regulate the expression ~~of many immunity-associated genes and pathways by directing the transcription~~ of a wide range of pro- inflammatory ~~and immunoregulatory~~ genes, ~~leading to increased cytokine expression~~ primarily through the NF- kB pathway. NF- kB is a critical transcription factor in inflammation that orchestrates production of key ~~activate B cells and T cells and subsequent~~ inflammatory ~~processes~~ cytokines and activation of multiple immune cell types . The dysregulation of NF- kB pathway activation can lead to several chronic immune- mediated conditions. BET ~~Inhibiting~~ - Inhibition : A Potential Novel Mechanism for the Treatment of Immune- Mediated Conditions Inhibition of BET proteins can ~~prevents~~ - prevent the continual dysregulated / hyperactivated signaling of the NF- kB pathway which occurs in many autoimmune diseases. A known family of drugs, corticosteroids, have demonstrated efficacy in treating inflammation predominantly by inhibiting the NF- kB pathway. These are a widely used class of anti- inflammatory and immunosuppressive drugs, but ~~the~~ their ~~formation of complexes required to facilitate transcription, thereby suppressing~~ therapeutic use when given systemically is limited by many endocrine and metabolic side effects mediated by ~~the~~ other ~~subsequent translation of~~ pathways that are also impacted by ~~the~~ these agents ~~corresponding protein~~ . ~~As~~ By inhibiting the NF- kB pathway through the specific bromodomain BD2, BET inhibition could be a novel, non- steroidal, mechanism for the treatment of immune- mediated diseases without the

non- immune side effects of corticosteroids. Because most of such **diseases are heterogenous and driven by multiple immune pathways** , BET ~~inhibitors~~ **inhibition** ~~could present as~~ **has** ~~an attractive, non- steroidal, therapeutic option for~~ the ~~treatment~~ **potential to address a broad range** of ~~immuno~~ **immune** - ~~inflammatory~~ **mediated** diseases **due to its potential impact on many of these pathways** . The ~~following graphic~~ **diagram below** depicts the ~~inhibition~~ **role** of BET proteins **in** ~~and the subsequent disruption of inflammatory~~ gene transcription **via the NF- kB pathway,** and ~~cytokine~~ **the subsequent effect of disrupting this process on** expression **of inflammatory cytokines** . Our Platform and Product Candidates InhiBET ™ BET Inhibitor Platform Through our partnership with Tay, we have exclusive worldwide rights to research, develop and commercialize products containing certain BET inhibitor compounds for the treatment of any disease, disorder or condition in humans. See" ~~—~~ Development and License Agreements — Tay License Agreements." Utilizing our InhiBET platform and through our preclinical and clinical activities, we are evaluating the impact that BET inhibitor compounds have on regulating ~~pro- inflammatory~~ **proinflammatory** cytokines. We are targeting indications whose pathogenesis is linked to ~~the proliferation~~ **excessive production** of these ~~specific~~ cytokines. We have selected development candidates and are developing formulations that are designed to maximize the anti- inflammatory effect of the ~~drug~~ **drugs** while minimizing safety concerns. Through our InhiBET development platform, we believe we can demonstrate the potential utility of these BET inhibitor compounds and develop therapies for a variety of ~~immuno~~ **immune** - ~~inflammatory conditions~~ **mediated diseases** . **Repibresib** ~~The following chart provides an overview of our current pipeline of product candidates being developed using our InhiBET platform: VYN201~~ - Locally Administered Pan- BD BET Inhibitor Our lead BET inhibitor candidate in development is ~~VYN201. VYN201~~ **repibresib gel, which** was developed using the InhiBET platform and is a ~~locally~~ **topically -** administered ~~pan- BD~~ BET inhibitor. It is a first- in- class " soft " pan- BD BET inhibitor that is being developed to address diseases involving multiple, diverse inflammatory cell signaling pathways. Our goal with the ~~VYN201~~ **repibresib** program is to develop a therapy that delivers ~~a~~ potent, localized anti- inflammatory ~~effect~~ **effects** and can be rapidly cleared through the body' s metabolic processes to avoid systemic ~~absorption~~ **effects** . We have conducted several preclinical studies which have demonstrated ~~VYN201'~~ **repibresib'** s anti- fibrotic and anti- inflammatory ~~activity~~ **activities** and the ability to significantly reduce the expression of key cytokines relevant to certain autoimmune diseases, including ~~in~~ **vitiligo,** psoriasis, **rheumatoid arthritis, and** idiopathic pulmonary fibrosis ~~and rheumatoid arthritis~~ . In October 2023, we announced positive data from our Phase 1b trial of ~~VYN201~~ **repibresib gel** in subjects with **NSV** ~~nonsegmental vitiligo~~ , which demonstrated clinical proof- of- concept for the use of this BET inhibitor to treat **an** ~~immuno~~ **immune** - ~~inflammatory~~ **mediated** disease **. We initiated a Phase 2b trial with repibresib gel in NSV subjects in June 2024** . Based on data generated to date, we believe ~~VYN201~~ **repibresib** has the potential to be highly versatile **across multiple indications** by serving as a locally **-** acting therapy with low systemic exposure. Nonsegmental Vitiligo **(NSV)** Vitiligo is a chronic autoimmune depigmenting disorder of the skin, characterized by the loss of pigment- producing cells known as melanocytes. Vitiligo is the most common depigmenting skin condition, with a prevalence estimated at 0. 5- 2 **. 0** % of the world population. An article published in the scientific journal **,** JAMA Dermatology **,** in 2021 estimated that there were between 1. 9 million and 2. 8 million cases of vitiligo in the United States. Approximately 90 % of vitiligo cases are characterized as nonsegmental, in which white patches appear symmetrically on both sides of the body. There is currently only one drug, OPZELURA ® (ruxolitinib) cream, approved by the FDA for the treatment of **NSV.** ~~nonsegmental vitiligo, and that~~ **That** product includes a ~~black box~~ **boxed** safety warning on its label. Based on preclinical and clinical data generated to date, we believe that ~~VYN201~~ **repibresib gel** has the potential to offer a targeted ~~and~~ **,** efficacious **, and a safe** treatment option **for NSV** that lowers the disease recurrence rate and can be effective for all skin ~~tones~~ **phototypes** with ~~fewer~~ -- **few** side effects. Phase 1 Clinical Trial Based in part on the data we observed from the preclinical vitiligo model described below, we commenced a Phase 1 clinical trial evaluating ~~VYN201~~ **repibresib** topical ointment for the treatment of **NSV** ~~nonsegmental vitiligo~~ in November 2022. The trial was conducted at U. S.- based clinical centers. In the Phase 1a portion of the trial, single ascending and multiple ascending doses of ~~VYN201~~ **repibresib** were applied topically once daily to 30 healthy volunteers in five dose cohorts for two weeks with a one- week safety follow- up visit to evaluate the safety, tolerability and pharmacokinetics of ~~VYN201~~ **repibresib** . Evaluated doses included 0. 025 %, 0. 1 %, 0. 5 %, 1. 0 % and 2. 0 % concentrations. There were no serious adverse events and no dose adjustments were required. There were no clinically **-** relevant treatment emergent adverse events, abnormal clinical laboratory results or electrocardiogram findings **, and no discontinuations** ~~. No healthy volunteers withdrew from the trial for any reason~~ . We selected the 0. 5 %, 1. 0 % and 2. 0 % doses for further evaluation in the Phase 1b portion of the trial. The Phase 1b portion was a 16- week open- label trial assessing the safety, tolerability and pharmacokinetics of once- daily ~~VYN201~~ **repibresib** in 29 patients across the three dose cohorts. Exploratory efficacy of ~~VYN201~~ **repibresib** was also evaluated, including its ability to arrest the progression of skin depigmentation and support skin repigmentation in patients with active disease **using** ~~, through changes in~~ F- VASI **scoring** . ~~On~~ **In** October ~~30,~~ 2023, we announced positive results from the Phase 1b portion of the trial. Significant clinical improvement was observed in the 1. 0 % and 2. 0 % cohorts with rapid onset of action and a dose- dependent response. Mean percentage reduction in F- VASI score from baseline after 16 weeks of treatment was 7. 5 %, 30. 2 % and 39. 0 % for the 0. 5 %, 1. 0 % and 2. 0 % cohorts, respectively. **There were** ~~VYN201 was generally well tolerated with~~ no clinically **-** relevant treatment emergent adverse events **in any** ~~across all dose cohorts~~ - **cohort** . ~~Following extensive testing~~ **Phase 2 Clinical Trial Last year** , we ~~plan to evaluate~~ **reformulated repibresib in** a once- daily gel ~~formulation of VYN201~~ for our ~~upcoming~~ Phase 2b trial in ~~patients~~ **subjects** with **NSV** ~~nonsegmental vitiligo~~ , which we ~~expect to initiate~~ **initiated** in the second quarter of 2024. ~~We believe the gel formulation may provide additional clinical benefits based on improved dermal penetration properties compared to the ointment that was evaluated in the Phase 1b trial.~~ The **ongoing** Phase 2b trial is ~~anticipated to be~~ a ~~24- week~~ randomized, double- blinded, vehicle- controlled trial **evaluating subjects** with **NSV for 24 weeks, followed by** a separate active treatment extension phase ~~to 52~~ **for an additional 28** weeks ~~. Pending FDA acceptance of the protocol~~ , ~~the~~ **with vehicle subjects crossing over to active doses at Week 24. The** trial ~~will~~ **is** ~~evaluate~~ **evaluating** ~~three or~~ four arms (~~including~~ **three active arms, one** vehicle **arm**) of once- daily **repibresib**

~~treatment with VYN201~~ gel, with each arm enrolling **approximately 45 subjects** ~~between 40 and 50 patients~~ with active or stable **NSV** ~~nonsegmental vitiligo~~. The primary efficacy endpoint of the trial **is** ~~will be~~ an evaluation of the proportion of subjects achieving **F-** ~~FVASI50~~ **VASI50** at ~~week~~ **Week** 24 compared to vehicle. ~~Based on our expected timing for initiating~~ **In January 2025, we announced the completion of enrollment in** the trial ~~, we~~ **. We** anticipate top **-** line results from the 24- week double- blind portion of the trial to be available in mid- 2025. Preclinical Studies for Multiple Indications We conducted a preclinical study using an ex vivo skin model of vitiligo. The objectives of this study were to evaluate the potential of ~~VYN201~~ **repibresib** to: • reduce ~~Matrix~~ **matrix** ~~Metalloproteinase~~ **metalloproteinase** - 9 (" MMP- 9 ") secretion, which allows for melanocyte stabilization and limits loss of melanocytes / depigmentation in vitiligo; • reduce the soluble adhesion molecule, E- cadherin, which is a biomarker of melanocyte loss due to degradation of matrix- bound E- cadherin by MMP- 9; • minimize the loss of melanocytes by assessing melanin pigment content; and • ~~affect~~ **increase** the expression of genes commonly associated with melanogenesis (melanin synthesis, melanosome maturation and transport). In the preclinical study, ~~VYN201~~ **repibresib** reduced the expression of key pro- inflammatory biomarkers relevant to the pathogenesis of vitiligo and resulted in marked reduction in melanocyte loss. ~~VYN201~~ **Repibresib** produced a dose- dependent reduction in MMP- 9 and soluble E- cadherin and substantially reduced the loss of melanin pigment in the basal layers of skin at the 0. 1 % and 1 **. 0** % concentrations. In addition, ~~VYN201~~ **repibresib** significantly upregulated WNT16, a member of the WNT family of genes **, suggestive of increased melanogenesis**. The WNT / β- catenin signaling pathway is known to be dysregulated in vitiligo and is believed to play a key role in melanocyte regeneration. **In additional in vitro assays using human CD8 t- cells with repibresib: • Repibresib was found to potently inhibit the differentiation of CD8 T- cells that are known to induce both a cytotoxic and destabilizing effect on melanocytes, the primary cell type that produces melanin in skin. • Repibresib inhibited the release of interferon- gamma which is a cytokine known to drive differentiation of CD8 T- cells. Plaque** Psoriasis We evaluated the impact of ~~VYN201~~ **repibresib** on Th17- mediated inflammation in an established preclinical animal model of psoriasis and an ex vivo human tissue study. T- helper 17, or Th17, cells are a CD4 T- cell subset characterized by production of **the** ~~interleukin- 17, or IL- 17, a highly~~ inflammatory cytokine ~~that~~ **, interleukin- 17, or IL- 17. Th17 cells** ~~plays~~ **play** an important role in the pathogenesis of a diverse group of immune- mediated diseases, including psoriasis, ~~rheumatoid~~ **psoriatic** arthritis ~~, multiple sclerosis~~, inflammatory bowel disease, and ~~asthma~~ **multiple sclerosis**. In the animal model, depilated mice were topically dosed with imiquimod cream to induce a psoriasis phenotype over a 7- day induction phase. A further 7- day treatment phase evaluated three doses of ~~VYN201~~ **repibresib** (0. 001 %, 0. 01 % and 0. 1 % concentrations) compared to a highly potent **topical** ~~glucocorticosteroid~~ ----- **corticosteroid** ~~product positive control~~ (clobetasol propionate 0. 05 % cream) **used as a positive control,** and **a** vehicle control. An imiquimod- naive control group (healthy control group) was also included for ~~VYN201~~ vehicle treatment. In these studies, treatment with ~~VYN201~~ **repibresib** significantly reduced the expression of several key ~~pro- inflammatory~~ **proinflammatory** cytokines relevant to Th17- mediated autoimmune diseases. A dose- dependent improvement in the signs ~~and symptoms~~ of inflammation was observed in ~~VYN201~~ **repibresib** treatment groups, and treatment with ~~VYN201~~ **repibresib** at all concentrations was well tolerated in the ~~studies~~ **study**. Idiopathic Pulmonary Fibrosis We evaluated an inhaled formulation of ~~VYN201~~ **repibresib** in an established mouse model of idiopathic pulmonary fibrosis. Lung fibrosis was induced in mice using a single intratracheal dose of bleomycin. Fibrosis was left to develop for seven days, and thoracic tomography images were obtained to stage fibrotic development. Animals were assigned to six treatment groups: untreated and unstimulated control, placebo, and one of four doses of ~~VYN201~~ **repibresib** (0. 1, 0. 2, 0. 5, and 1. 0 mg / ~~ml~~ **mL**), with six mice in each group. Each treatment group was dosed intratracheally every other day for 14 days. Changes in blood oxygen saturation, Ashcroft scoring (a standardized numerical scale used to quantify the extent of lung fibrosis in histological samples), lung hydroxyproline (a tissue biomarker for fibrosis), and volumetric lung function were assessed. Treatment with ~~VYN201~~ **repibresib** at 0. 5 mg / ~~ml~~ **mL** and 1 mg / ~~ml~~ **mL** resulted in statistically significant reductions in Ashcroft scores and levels of hydroxyproline compared to the placebo control group at ~~day~~ **Day** 21. In addition, mean blood oxygen saturation for the ~~VYN201~~ **repibresib** 1 mg / ~~ml~~ **mL** group was 92. 4 % at ~~day~~ **Day** 21, an 8. 8 % improvement compared to the placebo group (83. 6 %). Mean blood oxygen saturation for the untreated and unstimulated control group was 95. 2 %. Thoracic tomography revealed that ~~VYN201~~ **repibresib** treatment groups experienced a dose- dependent improvement in functional lung volume compared to the placebo control group. Rheumatoid Arthritis We conducted a preclinical study showing that intra- articular injections of ~~VYN201~~ **repibresib** resulted in significant inhibition of inflammation in a validated animal model of rheumatoid arthritis. In the preclinical study, inflammatory arthritis was induced in BALB / c mice. Each treatment group of seven mice was injected with either (i) an intra- articular dose of ~~VYN201~~ vehicle, (ii) an intra- articular dose of ~~VYN201~~ **repibresib** (with one of four concentrations ranging from 0. 01 to 10 mg / kg), (iii) an intra- articular dose of dexamethasone (1 mg / kg) or (iv) a systemic dose of dexamethasone (1 mg / kg, via intraperitoneal injection). The intra- articular doses were administered on days 0, 3, 6 and 9 while the dexamethasone systemic injections were given daily beginning at day 0 through 11. Each animal treated with the intra- articular injections received the injection in the ankle of one rear paw. The untreated rear paw was assessed to evaluate any potential anti- inflammatory systemic effect. Treatment response was evaluated based on an assessment of paw thickening or swelling (in millimeters) and arthritis scoring based on a five- point composite severity scale of redness, swelling of the ankles and wrists, and paw thickness. Scoring in this model ranges from 0 (normal) to 4 (extensive signs and symptoms of arthritis). Treatment with ~~VYN201~~ **repibresib** resulted in marked inhibition of paw thickening at the 1 and 10 mg / kg doses. At both doses, the inhibition of paw thickening was statistically significant in the treated paw relative to the untreated rear paw on ~~day~~ **Day** 12 ($p < 0. 01$). In addition, limbs treated with ~~VYN201~~ **repibresib** at the 1 and 10 mg / kg dose levels had an average arthritis score of 0. 57 and 0. 67, respectively, or near normal. The arthritis score was significantly lower in the treated paw at both doses relative to the non- treated paws on ~~day~~ **Day** 12 ($p < 0. 05$). VYN202- Oral BD2- Selective BET Inhibitor VYN202 is an oral **,** small molecule BD2- selective BET inhibitor that has been designed to achieve potential class- leading **potency and** selectivity ~~(for~~ BD2 vs. BD1 ~~), maximum potency versus BD2 and optimal oral bioavailability~~. Systemic

BET inhibitors have historically targeted both BD1 and BD2 less selectively, ~~causing~~ **which we believe caused** gastrointestinal toxicity and bone marrow suppressive effects like thrombocytopenia. By maximizing BD2 selectivity, we believe VYN202 may alleviate the ~~therapeutic limiting~~ toxicities observed by other less BD2- selective BET inhibitors in development for oncology and have the potential to be a **potent, oral immunomodulator** ~~more conveniently- administered non- biologic treatment~~ option for both acute control and chronic management of ~~immuno~~ **immune** - ~~inflammatory~~ **mediated** ~~indications~~ -- **conditions** , where the damaging effects of unrestricted inflammatory signaling ~~activity~~ **activities** are common. ~~Planned~~ Phase ~~1~~ **1a SAD / MAD** Clinical Trial We **have completed a** ~~submitted an IND for VYN202 to the FDA in December 2023. We recently received correspondence from the FDA informing us that our~~ Phase 1a ~~clinical~~ **SAD / MAD** trial ~~is on hold~~ **of VYN202 in healthy volunteers** and **announced positive** ~~requesting that we submit~~ data from ~~an additional nonclinical study~~ **this trial in December 2024** . We **observed that VYN202 had a favorable safety and tolerability profile** ~~recently completed the additional nonclinical study which achieved preliminary results consistent~~ with **no drug- related adverse events historically associated** ~~our expectations at the outset of the study. We plan to submit the requested nonclinical information to the FDA by the end of the first quarter of 2024 and, if cleared by the FDA, expect to initiate a Phase 1a single ascending dose / multiple ascending dose trial in healthy volunteers in the second quarter of 2024,~~ with **earlier generation, less BD- selective BET inhibitors. VYN202 also demonstrated robust pharmacodynamic activity including evidence of target engagement and inhibition of several inflammatory biomarkers relevant** ~~top~~ - **to** ~~line results anticipated~~ **immune- mediated disorders** in ~~the second half of~~ **ex vivo stimulation assays. In February** ~~2024~~ **2025** ~~. If the Phase 1a portion of the trial is successfully completed~~ , we ~~plan to initiate~~ **initiated a** Phase 1b ~~trials~~ - **trial** ~~of VYN202~~ in **adult** subjects with moderate- to- severe plaque psoriasis ~~and moderate~~ **. The Phase 1b trial is a randomized, double** - ~~to~~ **blind, placebo** - ~~severe adult- onset rheumatoid arthritis~~ **controlled trial to primarily evaluate the safety of VYN202 administered orally once a day across four cohorts (0. 25 mg, 0. 5 mg, 1 mg doses and placebo)** , with **secondary objectives that include pharmacokinetics and preliminary evidence of efficacy via endpoints evaluating improvements from PASI scores after 12 weeks. We expect to enroll approximately 80 subjects with psoriasis and to report** top **-** line results **from** ~~anticipated in~~ the ~~second half~~ **placebo- controlled trial by the end** of 2025 **. Additionally, we anticipate that the data from the Phase 1b trial in psoriasis subjects will provide key insights into VYN202' s potential activity across a range of immune- mediated diseases** . Preclinical Data in Multiple Indications We evaluated VYN202 in an established mouse model of psoriasis **that was used earlier with repibresib gel (see above)** . After inducing a psoriasis phenotype in BALB ~~- C~~ **/ c** mice, treatment was administered intraperitoneally with ~~one of~~ VYN202 **doses** , deucravacitinib (an allosteric TYK2 inhibitor **approved for the treatment of moderate- to- severe plaque psoriasis**), or placebo. VYN202 and deucravacitinib at equivalent dosing resulted in comparable onset of action and efficacy. Mice receiving VYN202 3 mg / kg had approximately 95 % mean reduction in ~~psoriasis area and severity index (" PASI ")~~ score from baseline by day 7 of treatment, which was consistent with the results in the deucravacitinib 3 mg / kg group. Treatment with VYN202 3 mg / kg reduced the expression of IL- 17A, a major effector cytokine involved in the pathogenesis of psoriasis, by 93 % compared to placebo. Treatment with VYN202 at all doses also resulted in a marked reduction of other disease- related cytokines (IL- 1β, IL- 6, IL- 22, IL- 23, and TNF- α) compared to the placebo group. We evaluated VYN202 in ~~a~~ **two** preclinical ~~model~~ **models** of rheumatoid arthritis. In a 21- day collagen- induced arthritis **(CIA)** model, signs and symptoms of inflammatory arthritis were induced in Lewis rats. Each treatment group orally received ~~one of~~ placebo, GSK620 (an early generation **less** BD2- selective BET inhibitor) at 10 mg / kg, or VYN202 at one of three different dose strengths (1, 3, or 10 mg / kg). Daily treatment with VYN202 10 mg / kg resulted in a 71 % reduction in the overall signs and symptoms of rheumatoid arthritis at day 21 and a 79 % lower paw volume (a measure of swelling) compared to mice receiving placebo. Of the animals treated with the highest dose of VYN202, 75 % presented with normal joint histopathology at the end of the study, whereas animals treated with placebo experienced marked inflammatory cell infiltrate, granulation tissue, bone erosion and ~~cartilagenous~~ ---- **cartilage** ulceration. ~~Treatment with~~ **The administration of** VYN202 10 mg / kg also achieved a 98 % lower expression of ~~Immunoglobin G1,~~ **anti- collagen II antibody compared to placebo. In** a ~~biomarker associated~~ **21- day adjuvant- induced arthritis (AIA) model in Lewis rats, test animals were randomly assigned to 7 groups: two vehicle groups, dexamethasone, upadacitinib, and VYN202 at one of three different dose strengths (0. 1, 1, or 10 mg / kg). All but one of the vehicle groups were induced** with ~~rheumatoid arthritis~~ **the adjuvant to replicate signs and symptoms of inflammation on the paws and joints of the animals. Induced animals were then orally administered either vehicle** , **reference compound or VYN202 doses for 15 consecutive days. Compared to the vehicle adjuvant group, all strengths of VYN202 had a significant effect on inhibiting inflammation in the paws, comparable to the reference compound, upadacitinib. The highest concentration of VYN202 resulted in an approximately 88 % reduction in paw volume** compared to ~~treatment~~ **the vehicle group. Histopathology scores showed VYN202 had a significant effect on preventing ankle inflammation compared to the control group** with ~~placebo~~ **VYN202 10 mg / kg having a 67 % reduction compared to control and upadacitinib 10 mg / kg demonstrating a 56 % reduction compared to control** . Manufacturing We currently contract with third party manufacturers for all of our required raw materials, active ingredients and finished products for our preclinical studies and clinical trials for our product candidates. We currently have no plans to establish our own manufacturing capabilities and plan to continue to rely on third- party manufacturers for any future trials of our product candidates. Together with contract manufacturing organizations (" CMOs"), we have developed the validation processes, methods, tests and / or controls that we believe are suitable for the manufacturing of our product candidates and for defining their properties. Development stage quantities of any products that we develop need to be manufactured in facilities ~~,~~ and by processes ~~,~~ that comply with the requirements of the FDA and the regulatory agencies of other jurisdictions in which we may seek approval. We require all of our CMOs to comply with these requirements and currently employ internal and external resources to manage our manufacturing contractors. The relevant manufacturers of our product candidates for our current preclinical and clinical trials have advised us that they are compliant with both the FDA' s Good Laboratory Practices (" GLP") and the FDA' s current Good Manufacturing

Practice (" cGMP") **guidances** . Agreements with Tay Evaluation and Option Agreement In April 2021, we entered into an Evaluation and Option Agreement (the" Option Agreement") with Tay. Pursuant to the Option Agreement, Tay granted us an exclusive option to obtain certain exclusive worldwide rights to research, develop and commercialize products containing Tay' s BET inhibitor compounds for the treatment of any disease, disorder or condition in humans. Pursuant to the Option Agreement, we agreed to use commercially reasonable efforts to ~~stabilize,~~ develop and manufacture a product with a pan- BD BET inhibitor as its active ingredient, and Tay agreed to provide a mutually agreed data package and select a new chemical entity development candidate from its Oral BETi Compounds. We paid a $ 1. 0 million non- refundable cash payment to Tay upon execution of the Option Agreement ~~, 50 % of which was to be used by Tay in the development of the Oral BETi Compounds~~ . Under the terms of the Option Agreement, our option (the" Oral Option") with respect to the Oral BETi Compounds was to expire on June 30, 2022, but in June 2022, we and Tay entered into a letter agreement to extend the option term to February 28, 2023. In February 2023, we and Tay entered into an additional letter agreement pursuant to which the option term was further extended to April 30, 2023. We exercised the Oral Option for VYN202 on April 28, 2023 as described below. See" Part II — Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — ~~Collaboration Arrangements~~ **Development and License Agreements** — Agreements with Tay Therapeutics — Evaluation and Option Agreement" for a discussion regarding payments made to Tay in connection with the extension of the term for the Oral Option. License for Locally Administered Pan- BD BET Inhibitor Program (~~VYN201~~ **Repibresib**) In August 2021, we exercised our option with respect to the ~~VYN201~~ **repibresib** program and entered into a ~~license~~ **License** ~~agreement~~ **Agreement** (the" ~~VYN201~~ **Repibresib** License Agreement") granting us a worldwide, exclusive license that is sublicensable through multiple tiers to exploit certain of Tay' s pan- BD BET inhibitor compounds in all fields. We have the sole responsibility for development, regulatory, marketing and commercialization activities to be conducted for the licensed products at our sole cost and discretion. We are required to use commercially reasonable efforts to develop and, if approved, commercialize such products. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, we may develop a product that contains or incorporates a specific BET inhibitor, whether alone or in combination with other active ingredients, in any form, formulation, presentation, or dosage, and for any mode of administration. We made a $ 0. 5 million cash payment to Tay in 2021 in connection with entering into the ~~VYN201~~ **Repibresib** License Agreement. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, we agreed to make cash payments to Tay upon the achievement of specified clinical development and regulatory approval milestones with respect to each licensed topical product in the United States of up to $ 15. 75 million for all indications **, of which $ 1. 8 million has been paid or accrued through December 31, 2024** . Tay is entitled to additional milestone payments upon the achievement of regulatory approvals in certain non- U. S. jurisdictions. In addition, with respect to any products we commercialize under the ~~VYN201~~ **Repibresib** License Agreement, we will pay tiered royalties to Tay on net sales of such licensed products by us, our affiliates, or sublicensees, of 5 %, 7. 5 % and 10 % based on tiered annual net sales **of licensed products under the Repibresib License Agreement** ~~bands~~ -- **and the VYN202 License Agreement,** subject to specified reductions. We are obligated to pay royalties until the latest of (1) the tenth anniversary of the first commercial sale of the relevant licensed product, (2) the expiration of the last valid claim of the licensed patent rights covering such licensed product in such country and (3) the expiration of regulatory exclusivity for the relevant licensed product in the relevant country, on a licensed product- by- licensed product and country- by- country basis **. Pursuant to the Repibresib License Agreement, we were granted a sublicense under certain intellectual property which was licensed to Tay by the University of Dundee (" Dundee ") pursuant to a certain license agreement between Tay and Dundee effective as of July 24, 2020 and amended and restated on October 8, 2021 (the " Head License "). On February 13, 2025, Tay and Dundee entered into an agreement for the termination of the Head License and assignment of such intellectual property from Dundee to Tay. Upon termination of the Head License, the Repibresib License Agreement was accordingly amended to reflect the assignment of the intellectual property to Tay upon its payment in full to Dundee. The amendment does not change any of Tay' s or VYNE' s rights or obligations under the Repibresib License Agreement, except that any obligations owed by VYNE to Dundee with respect to repibresib are now owed to Tay** . License for Selective BET Inhibitor Program (VYN202) On April 28, 2023, we exercised the Oral Option and entered into a license agreement (the" VYN202 License Agreement") with Tay granting us a worldwide, exclusive license that is sublicensable through multiple tiers to exploit certain of Tay' s Oral BETi Compounds in all fields. We have the sole responsibility for development, regulatory, marketing and commercialization activities to be conducted for the licensed products at our sole cost and discretion, and shall use commercially reasonable efforts to develop and, if approved, commercialize such products. We may sublicense our rights to a third party without Tay' s consent. Pursuant to the VYN202 License Agreement, a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products. We made a cash payment of $ 3. 75 million to Tay in connection with entering into the VYN202 License Agreement. Pursuant to the terms of the VYN202 License Agreement, we agreed to make cash payments to Tay of up to $ 43. 75 million upon the achievement of specified clinical development and regulatory approval milestones with respect to each licensed oral product in the United States for all indications **, of which $ 1. 3 million has been paid or accrued through December 31, 2024** . Tay is entitled to additional milestone payments upon the achievement of regulatory approvals in certain non- U. S. jurisdictions. In addition, with respect to any products we commercialize under the VYN202 License Agreement, we will pay tiered royalties to Tay on net sales of such licensed products by us, our affiliates, or sublicensees, of 5 %, 7. 5 % and 10 % based on tiered annual net sales **of licensed products under the VYN202 License Agreement** ~~bands~~ -- **and the Repibresib License Agreement,** subject to specified reductions. We are obligated to pay royalties until the latest of (1) the tenth anniversary of the first commercial sale of the relevant licensed product, (2) the expiration of the last valid claim of the licensed patent rights covering such licensed product in such country and (3) the expiration of regulatory exclusivity for the relevant licensed product in the relevant country,

on a licensed product- by- licensed product and country- by- country basis. Intellectual Property Our intellectual property and proprietary technology are essential to the development of our product candidates. We are committed to protecting our intellectual property rights, core technologies and other know- how through a combination of patents, trademarks, domain names, trade dress, trade secrets, copyrights, non- disclosure and confidentiality agreements, common interest agreements to protect privileged confidential information, licenses, assignments of invention and other contractual arrangements with our employees, scientific advisors, consultants, partners, suppliers, customers and others. These agreements and rights may, however, be breached, and we may not have adequate remedies for any such breach. In addition, our trade secrets and other proprietary and confidential information may otherwise become known or be independently discovered by competitors. To the extent that our employees, scientific advisors, consultants, partners, or other contractors use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know- how and inventions. Our success will also depend at least in part on not infringing the proprietary rights of third parties. While we are diligent in our efforts to investigate proprietary rights of third parties, no search is completely exhaustive. For example, a relevant patent or published application could escape detection because of unusual terminology or use of terminology that is still evolving in developing technological fields. Also, databases used in the searches may not be entirely complete. It is uncertain whether the issuance of any third party patent would require us to alter our development strategies, alter our processes, obtain licenses or cease certain activities. Our breach of any license agreements or failure to obtain a license to proprietary rights that we may require to develop our current and future product candidates may have a material adverse impact on us. If third parties prepare and file patent applications in the United States that also claim technology to which we have rights, we may have to participate in derivation, interference or other proceedings in the United States Patent and Trademark Office (" USPTO") to determine derivation or priority of invention. We may also have to participate in court proceedings or arbitration to defend and assert our rights. See" Item 1A. Risk Factors — Risks Related to Our Intellectual Property." Our BET inhibitor patent portfolio is licensed in and / or is being developed by us and comprises or is derived from several PCT applications, various national applications and certain provisional applications. ~~Our~~ **As of December 31, 2024, our** patent portfolio in relation to our ~~VYN201~~ **repibresib** program includes a granted patent in the United Kingdom **, Indonesia, Israel, India, Mexico, and South Africa** and pending compound and composition patent applications licensed by us from Tay ~~and the University of Dundee~~. A PCT application covering the compound, which published as WO 2020 / 216779, was filed nationally in more than 15 jurisdictions, including the U. S., China, Europe, Eurasia **,** and Japan. Subject to being granted ~~(without terminal disclaimers)~~ and payments of the appropriate maintenance fees, each **patent** will expire in 2040 ~~. In addition~~, ~~a~~ **without accounting for any potential patent term adjustment in the U. S. A** PCT application **covering methods of use**, which published as WO 2023 / 081720, **was filed nationally in ten jurisdictions, including the U. S., China, Europe, Eurasia,** and ~~several~~ **Japan. Subject to being granted and payments of the appropriate maintenance fees, each patent will expire in 2042, without accounting for any potential patent term adjustment in the U. S. In addition, a PCT application, which published as WO 2024 / 220589, was filed nationally in ten jurisdictions, including the U. S., China, Europe, Eurasia, and Japan. Subject to being granted and payments of the appropriate maintenance fees, each patent will expire in 2042, without accounting for any potential patent term adjustment in the U. S. In addition, a PCT application, which published as WO 2024 / 220589, and a** provisional ~~applications~~ **application** directed to various uses ~~thereof~~ **of repibresib** have been filed. Subject to the PCT **application** being filed nationally, filing a non- provisional **application**, and these patent applications being granted ~~(without terminal disclaimers)~~ and payments of the appropriate maintenance fees, each **patent** will expire in 2042 and 2044, respectively **, without accounting for any potential patent term adjustment in the U** . ~~Our~~ **S. As of December 31, 2024, our** patent portfolio in relation to our VYN202 program includes **a granted patent in the United Kingdom and** pending compound and composition patent applications licensed by us from Tay. A PCT application covering the compound, which published as WO 2023 / 275542, was filed nationally in more than 15 jurisdictions, including the U. S., China, Europe, Eurasia and Japan. Subject to being granted ~~(without terminal disclaimers)~~ and payments of the appropriate maintenance fees, each **patent** will expire in 2042 **, without accounting for any potential patent term adjustment in the United States**. Two additional compound and composition PCT applications were also filed in relation to VYN202 and our oral BD2- selective BET inhibitor program exclusively licensed by us from Tay. Subject to these PCT applications being filed nationally, one of which published as WO 2024 / 018423, and the patent applications being granted ~~(without terminal disclaimers)~~ and payments of the appropriate maintenance fees, ~~they~~ **the patents** will expire in 2043 **, without accounting for any potential patent term adjustment in the United States. In addition, a provisional application directed to VYN202 method of use has been filed. Subject to filing a non- provisional and this patent application being granted and payments of the appropriate maintenance fees, this patent would expire in 2045, without accounting for any potential patent term adjustment in the United States**. Patents extend for varying periods according to the date of patent filing or grant and the legal term of patents in various countries where patent protection is obtained. The actual protection afforded by a patent, which can vary from country to country, depends on the type of patent, the scope of its coverage and the availability of legal remedies in the country. In most countries in which we file, the patent term is 20 years from the earliest date of filing a non- provisional patent application. In the United States, a patent term may be shortened if a patent is terminally disclaimed over another patent or as a result of delays in patent prosecution by the patentee, and a patent' s term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in granting a patent or by patent term extension, which compensates a patentee for delays at the FDA. The patent term of a European patent is 20 years from its filing date; however, unlike in the United States, the European patent does not grant patent term adjustments. The European Union does have a compensation program similar to patent term extension called supplementary patent certificate that would effectively extend the duration of protection of the product for up to five years. Obtaining a patent term extension in the United States or a supplementary patent certificate in the European Union is uncertain and will depend on eligibility and satisfying rigorous criteria in each jurisdiction. Competition

Our drug development activities face, and will continue to face, intense competition from organizations such as pharmaceutical and biotechnology companies, as well as academic and research institutions and government agencies. Our drug development activities also face, and may continue to face, governmental actions designed to promote generic drug competition and lower prices. Any product candidate that we successfully develop and commercialize will compete with existing treatments, including those that may have achieved broad market acceptance, and any new treatment that may become available in the future. Many of the companies against which we are competing, or against which we may compete in the future, have significantly greater financial resources and expertise in research and development, manufacturing, and preclinical and clinical development than we do. Smaller or early- stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and subject registration for clinical trials, as well as in acquiring technologies complementary to, or that may be necessary for, our development programs. For vitiligo, our primary competitors include topical therapies such as generic and branded versions of calcineurin inhibitors, including ELIDEL, marketed by Bausch Health; OPZELURA, a topical JAK inhibitor marketed by Incyte Corporation; branded and generic versions of high potency steroids, including CLOBEX, marketed by Galderma Laboratories, LP; and other treatments including various lasers and ultraviolet light- based therapies. In addition, there are several prescription product candidates under development that could potentially be used to treat vitiligo and compete with ~~VYN201~~ **repibresib gel** , if approved, including but not limited to oral JAK inhibitors being developed by Incyte, Pfizer and AbbVie. We intend to develop VYN202 for the treatment of **various immune- mediated conditions. Our initial proof- of- concept indication is** moderate- to- severe plaque psoriasis ~~and moderate- to- severe adult- onset rheumatoid arthritis, each of~~ which is a competitive market. The psoriasis market includes several approved **anti- IL- 17** antibody therapies, including COSENTYX, marketed by Novartis; TALTZ, marketed by Eli Lilly; SILIQ, marketed by Bausch Health; and BIMZELX, marketed by UCB SA. Other classes of injectable biologics approved for use in indications for which IL- 17 therapeutics are also approved include anti- IL- 12 / 23 and anti TNFα monoclonal antibodies marketed by AbbVie, Sun Pharmaceutical Industries and Janssen Pharmaceuticals, among others. Furthermore, the oral PDE4 inhibitor, OTEZLA, marketed by Amgen, and oral TYK2 inhibitor, SOTYKTU, marketed by Bristol Myers Squibb, are approved for the treatment of psoriasis. In addition, we are aware of other oral therapeutic candidates including **other** TYK2 inhibitors, oral IL- 17 inhibitors, and oral IL- 23 inhibitors being developed by ~~Janssen Pharmaceuticals,~~ Takeda Pharmaceutical Company, Ventyx Biosciences, ~~and~~ **Eli Lilly,** LEO Pharma, **Janssen Pharmaceuticals,** among others **. We anticipate our second indication, subject to adequate levels of funding, will be rheumatoid arthritis which is also a competitive market** . Medications for the treatment of rheumatoid arthritis include corticosteroids and disease- modifying anti- rheumatic drugs (" DMARDs"). DMARDs include (i) methotrexate, sulfasalazine, leflunomide and hydroxychloroquine, (ii) biologic DMARDs, and (iii) targeted synthetic DMARDs such as JAK inhibitors. These drugs are produced and sold, or are approved for marketing, by large pharmaceutical companies, including AbbVie, Amgen, Bristol Myers Squibb, ~~Eli Lilly,~~ Johnson & Johnson, **UCB, Roche, Eli Lilly, and** Pfizer ~~, Novartis, UCB, Regeneron Pharmaceuticals, and Roche~~ . In addition, several other companies are developing drugs for the treatment of rheumatoid arthritis that, if approved, ~~would~~ **could** compete with VYN202 ~~,~~ if **the indication is pursued and** approved. The commercial opportunity for our product candidates, if approved, could be reduced or eliminated if our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any drug we may develop. Our competitors also may obtain FDA or other regulatory approval for their product candidates more rapidly than us, which could result in our competitors establishing a strong market position before our product candidates are able to enter the market. Government Regulation Our business is subject to extensive government regulation. Regulation by governmental authorities in the United States and other jurisdictions is a significant factor in our research and development activities. Product approval process in the United States Review and approval of drugs In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act (" FDCA") and implementing regulations. In general, new drug products require the submission of a New Drug Application (" NDA") and approval thereof by the FDA prior to being marketed in the United States. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U. S. requirements at any time during the product development process, approval process or after approval may subject an applicant to a variety of administrative or judicial sanctions and enforcement actions brought by the FDA, the Department of Justice or other governmental entities. Possible sanctions may include the FDA' s refusal to approve pending NDAs, withdrawal of an approval, imposition of a clinical hold, issuance of warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement and civil or criminal penalties. The process required by the FDA prior to marketing and distributing a new drug product in the United States generally involves the following: • completion of laboratory tests, animal studies and formulation studies in compliance with the FDA' s **Good Laboratory Practice ("** GLP **")** or other applicable regulations; • submission to the FDA of an application for an IND which must become effective before human clinical trials may begin; • approval by an independent institutional review board (" IRB") at each clinical site before each trial may be initiated at that site; • performance of adequate and well- controlled human clinical trials in accordance with Good Clinical Practice (" GCP") requirements to establish the safety and efficacy of the proposed drug for its intended use; • preparation and submission to the FDA of ~~a~~ **an** NDA or supplemental NDA; • satisfactory completion of an FDA advisory committee review, if applicable; • satisfactory completion of one or more FDA inspections of the manufacturing facility or facilities at which the product or components thereof are produced, to assess compliance with cGMP and to assure that the facilities, methods and controls are adequate to preserve the drug' s identity, strength, quality and purity; • satisfactory completion of FDA audits of clinical trial sites and the sponsor' s clinical trial records to assure compliance with GCPs and the integrity of the clinical data; • payment of user fees and

FDA review and approval of ~~the~~ **an** NDA; and • compliance with any post- approval requirements, including the potential requirement to implement a Risk Evaluation and Mitigation Strategy (" REMS") and the potential requirement to conduct post- approval studies. Preclinical studies Preclinical studies include laboratory evaluation, as well as animal studies to assess the potential safety and efficacy of the product candidate. Preclinical safety tests must be conducted in compliance with the FDA' s GLP regulations. The results of the preclinical tests, together with manufacturing information and analytical data, are submitted to the FDA as part of an IND which must become effective before clinical trials may be commenced. Clinical trials in support of an NDA Clinical trials involve the administration of an investigational product to human subjects under the supervision of qualified investigators in accordance with GCP requirements, which include, among other things, the requirement that all research subjects provide their informed consent in writing before their participation in any clinical trial. Clinical trials are conducted under written trial protocols detailing, among other things, the objectives of the trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND. An IND becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to a proposed clinical trial and places the trial on clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. ~~We recently received correspondence from the FDA informing us that our Phase 1a clinical trial for VYN202 is on hold and requesting that we submit data from an additional nonclinical study in support of our IND. We expect to submit the requested information by the end of the first quarter of 2024.~~ In addition, an IRB representing each institution participating in the clinical trial must review and approve the plan for any clinical trial before it commences at that institution, and the IRB must conduct continuing review and reapprove the trial at least annually. The IRB must review and approve, among other things, the trial protocol and informed consent information to be provided to trial subjects. An IRB must operate in compliance with FDA regulations. Information about certain clinical trials must be submitted within specific timeframes to the National Institutes of Health for public dissemination on their ClinicalTrials. gov website. Clinical trials are typically conducted in three sequential phases, which, in some cases, may overlap or be combined: • Phase ~~I~~ **1** : The drug is initially introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early indication of its effectiveness and to determine optimal dosage. • Phase ~~II~~ **2** : The drug is administered to a limited patient population to identify possible short- term adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage. • Phase ~~III~~ **3** : The drug is administered to an expanded patient population, generally at geographically dispersed clinical trial sites, in well- controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to establish the overall risk- benefit profile of the product, and to provide adequate information for the labeling of the product. Submission of ~~a~~ **an** NDA to the FDA The results of the preclinical studies and clinical trials, together with other detailed information, including information on the manufacture, control and composition of the product, are submitted to the FDA as part of ~~a~~ **an** NDA requesting approval to market the product candidate for a proposed indication. Under the Prescription Drug User Fee Act (" PDUFA") as amended, applicants are required to pay fees to the FDA for reviewing an NDA. These user fees, as well as the annual fees required for commercial manufacturing establishments and for approved products, can be substantial. Each NDA submitted to the FDA for approval is reviewed for administrative completeness and reviewability within 60 days following submission of the application. If found complete, the FDA will " file " the NDA, thus triggering a full review of the application. The FDA may refuse to file any NDA that it deems incomplete or not properly reviewable at the time of submission. Once the submission is accepted for filing, the FDA begins an in- depth substantive review. The FDA has agreed to certain performance goals in the review of NDAs. Most applications for standard review drug products are reviewed within ten to twelve months; most NDAs for priority review drugs are reviewed in six to eight months. The review process for both standard and priority review may be extended by FDA for three additional months to consider certain late- submitted information, or information intended to clarify information already provided in the submission. The FDA reviews an NDA to determine, among other things, whether the drug is safe and effective and whether the facility in which it is manufactured, processed, packaged or held meets standards designed to assure the product' s continued safety, quality and purity. Before approving ~~a~~ **an** NDA, the FDA may inspect the facilities at which the product is manufactured or facilities that are significantly involved in the product development and distribution process, and will not approve the product unless cGMP compliance is satisfactory at such facilities. The FDA may deny approval of a NDA if applicable statutory or regulatory criteria are not satisfied, or it may require additional testing or information, which can delay the approval process. FDA approval of any application may include many delays or may never be granted. If a product is approved, the approval will specify the indicated uses for which the product may be marketed in the United States pursuant to that NDA, may require that warning statements be included in the product labeling, may require that additional studies or trials be conducted following approval as a condition of the approval, may impose restrictions and conditions on product distribution, prescribing or dispensing in the form of a REMS, or may impose other limitations. After evaluating the NDA and all related information, including any advisory committee recommendation, if applicable, and inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA will issue an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and contains a statement of specific conditions that must be met in order to secure final approval of the NDA and may require additional clinical or non- clinical testing in a resubmission to the NDA in order for the FDA to reconsider the application. FDA has committed to reviewing such submissions in two or six months depending on the type of information included in the resubmission. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA' s satisfaction, the FDA will typically issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. Even if the FDA approves a product, it may limit the approved

indications for use of the product, require that contraindications, warnings or precautions be included in the product labeling, require that post- approval studies, including Phase 4 clinical trials, be conducted to further assess a drug' s safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a REMS, which can materially affect the potential market and profitability of the product. Once a product is approved, marketing the product for other indicated uses or making certain manufacturing or other changes requires FDA review and approval of a supplemental NDA or a new NDA, which may require additional clinical data and review fees. In addition, further post- marketing testing and surveillance to monitor the safety or efficacy of a product may be required. Also, product approvals may be withdrawn if compliance with regulatory standards is not maintained or if safety or manufacturing problems occur at any time following approval. In addition, new government requirements may be established that could delay or prevent regulatory approval of our product candidates under development. Special FDA Expedited Review and Approval Programs The FDA has various programs, including Fast Track designation, Breakthrough Therapy designation, Accelerated Approval, and Priority Review, which are intended to expedite or simplify the process for the development and FDA review of drugs that are intended for the treatment of serious or life-threatening diseases or conditions and demonstrate the potential to address unmet medical needs. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures. Under the fast track program, the sponsor of a new product candidate may request that FDA designate the product candidate for a specific indication as a fast track drug concurrent with, or after, the filing of the IND for the product candidate. Fast track designation provides opportunities for frequent interactions with the FDA review team to expedite development and review of the product. FDA may initiate review of sections of a fast track drug' s NDA before the application is complete. This rolling review is available if the applicant provides, and FDA approves, a schedule for the submission of the remaining information and the applicant pays applicable user fees. However, FDA' s time period goal for reviewing an application does not begin until the last section of the NDA is submitted. In addition, a sponsor can request breakthrough therapy designation for a drug if it is intended, alone or in combination with one or more other drugs, to treat a serious or life- threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Drugs designated as breakthrough therapies are eligible for intensive guidance from FDA on an efficient drug development program, organizational commitment to the development and review of the product including involvement of senior managers, and, like fast track products, are also eligible for rolling review of the NDA. Both fast track and breakthrough therapy products are also eligible for accelerated approval and / or priority review, if relevant criteria are met. Under the FDA' s accelerated approval regulations, the FDA may approve a drug for a serious or life- threatening illness that provides meaningful therapeutic benefit to patients over existing treatments based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. In clinical trials, a surrogate endpoint is a measurement of laboratory or clinical signs of a disease or condition that substitutes for a direct measurement of how a patient feels, functions, or survives. Surrogate endpoints can often be measured more easily or more rapidly than clinical endpoints. A product candidate approved on this basis is subject to rigorous post- marketing compliance requirements, including the completion of Phase 4 or post- approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post- approval studies, or confirm a clinical benefit during post- marketing studies, will allow FDA to withdraw the drug from the market on an expedited basis. All promotional materials for product candidates approved under accelerated approval regulations are subject to prior review by FDA. Once ~~a~~ **an** NDA is submitted for a product intended to treat a serious condition, the FDA may assign a priority review designation if FDA determines that the product, if approved, would provide a significant improvement in safety or effectiveness. A priority review means that the goal for the FDA to review an application is six months, rather than the standard review of ten months under current PDUFA guidelines. Under the current PDUFA agreement, for NDAs for new molecular entities, these six- and ten- month review periods are measured from the 60- day filing date rather than the receipt date, which typically adds approximately two months to the timeline for review from the date of submission. Most products that are eligible for fast track and / or breakthrough therapy designation are also likely to be considered appropriate to request and potentially receive a priority review. Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. In addition, the manufacturer of an investigational drug for a serious or life- threatening disease is required to make available, such as by posting on its website, its policy on responding to requests for expanded access. Furthermore, fast track designation, breakthrough therapy designation, accelerated approval and priority review do not change the standards for approval and may not ultimately expedite the development or approval process. Post- approval requirements Any drug products for which we receive FDA approval will be subject to continuing regulation by the FDA. Certain requirements include, inter alia, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information on an annual basis or more frequently for specific events, product sampling and distribution requirements, complying with certain electronic records and signature requirements and complying with FDA promotion and advertising requirements. These promotion and advertising requirements include, among others, standards for direct- to- consumer advertising, prohibitions against promoting drugs for uses or patient populations that are not described in the drug' s approved labeling, known as " off- label use, " and other promotional activities, such as those considered to be false or misleading. Failure to comply with FDA requirements can have negative consequences, including the immediate discontinuation of noncomplying materials, adverse publicity, enforcement letters from the FDA, mandated corrective advertising or communications with doctors, and civil or criminal penalties. Such enforcement may also lead to scrutiny and enforcement by other government and

regulatory bodies. Although physicians may prescribe legally available drugs for off- label uses, manufacturers may not encourage, market or promote such off- label uses. As a result, " off- label promotion " has formed the basis for litigation under the Federal False Claims Act (" FCA") violations of which are subject to significant civil fines and penalties. In addition, under the federal Physician Payments Sunshine Act, manufacturers of certain prescription products are required to disclose annually to the Centers for Medicare & Medicaid Services (" CMS") payments or transfers of value made to " covered recipients " and teaching hospitals, and ownership or investment interests held by covered recipients and their immediate family members. Reportable payments and transfers of value may be direct or indirect, in cash or kind, for any reason, and are required to be disclosed even if the transfers are not related to an approved product. Failure to comply with the Physician Payments Sunshine Act could result in penalties up to $ 1. 15 million per year. The manufacturing of any of our product candidates, if approved, will be required to comply with applicable FDA manufacturing requirements contained in the FDA' s cGMP regulations. The FDA' s cGMP regulations require, among other things, quality control and quality assurance, as well as the corresponding maintenance of comprehensive records and documentation. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are also required to register their establishments and list any products they make with the FDA and to comply with related requirements in certain states. These entities are further subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. Discovery of problems with a product after approval may result in serious and extensive restrictions or other consequences for a product, manufacturer or holder of an approved NDA, as well as lead to potential market disruptions. These restrictions or consequences may include untitled or warning letters, recalls, suspension of a product until the FDA is assured that quality standards can be met, and continuing oversight of manufacturing by the FDA under a " consent decree, " which frequently includes the imposition of costs and continuing inspections over a period of many years, as well as possible withdrawal of the product from the market. In addition, changes to the manufacturing process generally require prior FDA approval before being implemented. Other types of changes to the approved product, such as adding new indications and additional labeling claims, are also subject to further FDA review and approval. The FDA also may require post- marketing testing, or Phase IV testing, as well as REMS to monitor the effects of an approved product or place conditions on an approval that could otherwise restrict the distribution or use of approved products. Pediatric trials and exclusivity Even when not pursuing a pediatric indication, under the Pediatric Research Equity Act of 2003, an NDA or supplement thereto must contain data that are adequate to assess the safety and effectiveness of the drug product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. Sponsors must also submit pediatric trial plans prior to the assessment data. Those plans must contain an outline of the proposed pediatric trials the applicant plans to conduct, including trial objectives and design, any deferral or waiver requests, and other information required by regulation. The applicant, the FDA, and the FDA' s internal review committee must then review the information submitted, consult with each other, and agree upon a final plan. The FDA or the applicant may request an amendment to the plan at any time. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. Additional requirements and procedures relating to deferral requests and requests for extension of deferrals are contained in the Food and Drug Administration Safety and Innovation Act. Separately, in the event the FDA makes a written request for pediatric data relating to a drug product, an NDA sponsor who submits such data may be entitled to pediatric exclusivity. Pediatric exclusivity is another type of non- patent marketing exclusivity in the United States and, if granted, provides for the attachment of an additional 6 months of marketing protection to the term of any existing regulatory exclusivity, including the non- patent and orphan exclusivity. Patent term restoration and extension A patent claiming a new drug product may be eligible for a limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, generally referred to as the " Hatch- Waxman Act, " which permits an extension of the term of a patent for up to five years to compensate patent holders for marketing time lost while developing the product and awaiting government approval during the FDA regulatory review. The basis for the patent extension is the regulatory review period, which is basically composed of two parts, a testing phase and an approval phase, less a reduction, if any, in either part for a period time where there was a finding of lack of due diligence. The restoration period granted can be up to one- half the time between the effective date of an IND and the submission date of an NDA (testing phase), plus the time between the submission date of an NDA and the ultimate approval date (approval phase). Patent term extension cannot be used to extend the remaining term of a patent past a total of 14 years from the product' s approval date. Only one patent applicable to an approved drug product may be extended, and the application for the extension must be submitted prior to the expiration of the patent in question and within 60 days of FDA approval. A patent that covers multiple drugs for which approval is sought can only be extended in connection with one of the approvals and the scope of the extended patent is limited to the approved drug. The USPTO reviews and approves the application for any patent term extension in consultation with the FDA. The term of a patent which claims a human drug product, a method of using the product, or a method of manufacturing the product may potentially be extended if it satisfies the various conditions including that it is the first permitted commercial marketing or use of the drug. Review and approval of drug products outside the United States In addition to regulations in the United States, we are subject to a variety of foreign regulations governing manufacturing, clinical trials, commercial sales and distribution of our future products. Whether or not we obtain FDA approval for a product candidate, we must obtain approval by the comparable regulatory authorities of foreign countries before commencing clinical trials or marketing in those countries. The approval process varies from country to country and can be subject to uncertainties, and the time may be longer or shorter than that required for FDA approval. The requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary greatly from country to country. Regulation in the European Economic Area In the European Economic Area (" EEA") which is composed of the Member States of the

European Union plus Norway, Iceland and Liechtenstein, medicinal products can only be commercialized after obtaining a Marketing Authorization (" MA"). There are two types of MAs: • The Community MA, which is issued by the European Commission through the Centralized Procedure, based on the opinion of the Committee for Medicinal Products for Human Use (" CHMP") of the European Medicines Agency (" EMA") and which is valid throughout the entire territory of the EEA. The Centralized Procedure is mandatory for certain types of products, such as biotechnology medicinal products, orphan medicinal products and medicinal products that contain a new active substance indicated for the treatment of AIDS, cancer, neurodegenerative disorders, diabetes, auto- immune and viral diseases. The Centralized Procedure is optional for products containing a new active substance not yet authorized in the EEA, or for products that constitute a significant therapeutic, scientific or technical innovation or which are in the interest of public health in the EU. Under the Centralized Procedure the maximum timeframe for the evaluation of a marketing authorization application (" MAA") is 210 days (excluding clock stops, when additional written or oral information is to be provided by the applicant in response to questions asked by the CHMP). Accelerated evaluation might be granted by the CHMP in exceptional cases, when the authorization of a medicinal product is of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation. Under the accelerated procedure the standard 210 days review period is reduced to 150 days. • National MAs, which are issued by the competent authorities of the Member States of the EEA and only cover their respective territory, are available for products not falling within the mandatory scope of the Centralized Procedure. Where a product has already been authorized for marketing in a Member State of the EEA, this National MA can be recognized in another Member State through the Mutual Recognition Procedure. If the product has not received a National MA in any Member State at the time of application, it can be approved simultaneously in various Member States through the Decentralized Procedure. Prior to obtaining an MA in the EEA, applicants have to demonstrate compliance with all measures included in a Pediatric Investigation Plan (" PIP") approved by the EEA regulatory agency, covering all subsets of the pediatric population, unless the EEA regulatory agency has granted (1) a product-specific waiver, (2) a class waiver or (3) a deferral for one or more of the measures included in the PIP. In the EEA, upon receiving a MA, new chemical entities generally receive eight years of data exclusivity and an additional two years of market exclusivity. If granted, data exclusivity prevents regulatory authorities in the EEA from referencing the innovator' s data to assess a generic application. During the additional two- year period of market exclusivity, a generic marketing authorization can be submitted, and the innovator' s data may be referenced, but no generic product can be marketed until the expiration of the market exclusivity. However, there is no guarantee that a product will be considered by the EEA regulatory agencies to be a new chemical entity, and products may not qualify for data exclusivity. Pharmaceutical coverage, pricing and reimbursement Significant uncertainty exists as to the coverage and reimbursement status of any product and any product candidates for which we obtain regulatory approval. In the United States and other markets, sales of any product, and any product candidates for which we receive regulatory approval for commercial sale, will depend in part on the availability of coverage and adequate reimbursement from third party payors. Third party payors include government health administrative authorities, managed care providers, private health insurers and other organizations. The process for determining whether a payor will provide coverage for a drug product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the drug product. Third party payors may limit coverage to specific drug products on an approved list, or formulary, which might not include all of the FDA- approved drug products for a particular indication. Third party payors are increasingly challenging the price and examining the medical necessity and cost- effectiveness of medical products and services, in addition to their safety and efficacy. A payor may not consider a product to be medically necessary or cost- effective. Moreover, a payor' s decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved, or that other payors will similarly provide similar coverage for the product. Adequate third- party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development. CMS administers the Medicaid drug rebate program, in which pharmaceutical manufacturers pay quarterly rebates to each state Medicaid agency. Generally, for branded prescription drugs marketed under NDAs, manufacturers are required to rebate the greater of 23. 1 % of the average manufacturer price or the difference between such price and the best price during a specified period **(subject to inflation)** . An additional rebate for products marketed under NDAs is payable if the average manufacturer price increases at a rate higher than inflation, and other methodologies apply to new formulations of existing drugs. In addition, the Patient Protection and Affordable Care Act (the" ACA") revised certain definitions used for purposes of calculating the rebates, including the definition of " average manufacturer price. " Various state Medicaid programs have implemented voluntary supplemental drug rebate programs that may provide states with additional manufacturer rebates in exchange for preferred status on a state' s formulary or for patient populations that are not included in the traditional Medicaid drug benefit coverage. In the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that drug products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies or trials that compare the cost- effectiveness of a particular product candidate to currently available therapies. For example, the European Union provides options for its member states to restrict the range of drug products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. European Union member states may approve a specific price for a drug product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the drug product on the market. Other member states allow companies to fix their own prices for drug products, but monitor and control company profits. The downward pressure on health care costs in general, and particularly on prescription drugs, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross- border imports from low-priced markets exert competitive pressure that may reduce pricing within a country. Any country that has price controls or reimbursement limitations for drug products may not allow favorable reimbursement and pricing arrangements. Healthcare Reform In March 2010, the then President of the United States signed one of the most significant healthcare reform measures in

decades, the ACA. The ACA substantially changed the way healthcare is financed by both governmental and private insurers, and significantly impacted the pharmaceutical industry. This comprehensive legislative overhaul was expected to extend coverage to approximately 36 million previously uninsured Americans. The ACA also requires the pharmaceutical industry to share in the costs of reform by increasing Medicaid rebates and expanding Medicaid rebates to cover Medicaid managed care programs, among other things. The ACA also includes funding of pharmaceutical costs for Medicare patients in excess of the prescription drug coverage limit and below the catastrophic coverage threshold. There have been executive, judicial, Congressional, and political challenges **and amendments** to certain aspects of the ACA. For example ~~, the ACA' s individual mandate was repealed by Congress in The Tax Cuts and Jobs Act of 2017 (the " Tax Act "), which was signed into law in December 2017 and became effective January 1, 2019. On June 17, 2021, the U. S. Supreme Court held that state and individual plaintiffs did not have standing to challenge the individual mandate provision of the ACA; in so holding, the Supreme Court did not consider larger constitutional questions about the validity of this provision or the validity of the ACA in its entirety. In addition, there have been a number of health reform initiatives by the Biden administration that have impacted the ACA. For example,~~ on August 16, 2022, ~~President Biden signed~~ the Inflation Reduction Act of 2022 (~~"~~ **"** IRA ~~"~~ **"**) **was signed** into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in ACA marketplaces through plan year 2025. The IRA also eliminates the" donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out- of- pocket cost and creating a new manufacturer discount program. It is possible that there will be additional health reform measures. It is unclear how any such challenges, if any, and other efforts to modify, repeal and replace the ACA will impact the ACA. Further, there has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices, including several recent U. S. Congressional inquiries and federal and state legislation designed to, among other things, increase drug pricing transparency, expedite generic competition, review relationships between pricing and manufacturer patient assistance programs, and reform government program drug reimbursement methodologies. ~~At~~ **For example, the IRA, among** ~~the~~ **other things (i) directs** ~~federal level, in July 2021, the Biden administration released an executive order that included multiple provisions aimed at prescription drugs. In response to Biden' s executive order, on September 9, 2021,~~ the U. S. Department of Health and Human Services (" HHS ") ~~released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform. The plan sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions HHS can take to advance these principles. In addition, the IRA, among other things (i) directs HHS~~ to negotiate the price of certain high-expenditure, single- source drugs ~~and biologics~~ **that have been on the market for at least 7 years** covered under Medicare **(the " Medicare Drug Price Negotiation Program "),** and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. These provisions take effect progressively starting in fiscal year 2023. On August ~~29~~ **15** , ~~2023~~ **2024** , HHS announced the ~~list~~ **agreed- upon prices** of the first ten drugs that **were** ~~will be~~ subject to price negotiations, although the Medicare ~~drug~~ **Drug** ~~price~~ **Price** ~~negotiation~~ **Negotiation** ~~program~~ **Program** is currently subject to legal challenges. ~~In addition~~ **On January 17** , ~~the Biden administration released an~~ **2025, HHS selected fifteen** additional **drugs covered under Part D** ~~executive order on October 14, 2022, directing HHS to report on how the Center~~ for **price negotiation in 2025. Each year thereafter more Part B and Part D products will become subject to the** Medicare ~~and Medicaid Innovation can be further leveraged to test new models for lowering drug~~ **Drug Price Negotiation Program** ~~costs for Medicare and Medicaid beneficiaries. In response to the Biden administration' s October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future~~ . Further, on December 7, 2023, ~~the Biden administration announced~~ an initiative to control the price of prescription drugs through the use of march- in rights under the Bayh- Dole Act **was announced** , allowing an agency to grant a compulsory license on a privately owned patent to third parties, if the invention was developed with federal funding and the agency finds that certain statutory criteria apply. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March- In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march- in rights. While march- in rights have not previously been exercised, it is uncertain if that will continue under the new framework. At the state level, legislatures are increasingly passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, on January 5, 2024, the FDA approved Florida' s Section 804 Importation Program (" SIP ") proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs. We anticipate that these and other healthcare reform efforts will continue to result in additional downward pressure on drug pricing **, particularly in light of recent U. S. Presidential and Congressional elections** . Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. Healthcare Laws Healthcare providers, physicians and third party payors play a primary role in the recommendation and prescription of drug products that are granted marketing approval. Arrangements with healthcare providers, third party payors and other customers are subject to broadly applicable fraud and abuse and other healthcare laws and regulations. Such restrictions under applicable federal and state healthcare laws and regulations include the following: • the federal healthcare Anti- Kickback Statute prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward either the referral of

an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare or Medicaid. The term " remuneration " has been broadly interpreted to include anything of value, including cash, improper discounts, and free or reduced price items and services. The intent standard under the federal Anti- Kickback Statute was amended by ACA to a stricter standard such that a person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Moreover, under the ACA, the government may assert that a claim including items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil FCA. Additionally, many states have similar laws that apply to their state health care programs as well as private payors. Violations of the federal or state anti- kickback laws can result in exclusion from federal and state health care programs and substantial civil and criminal penalties; • the federal civil and criminal false claims laws and civil monetary penalties laws, including the federal FCA, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, false, fictitious or fraudulent claims for payment from Medicare, Medicaid or other federal healthcare programs, and knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government. Even where pharmaceutical companies do not submit claims directly to payors, they can be held liable under these laws if they are deemed to " cause " the submission of false or fraudulent claims by, for example, providing inaccurate billing or coding information to customers, promoting a product off- label, marketing products of sub- standard quality, or paying a kickback that results in a claim for items or services. In addition, activities relating to the reporting of wholesaler or estimated retail prices for pharmaceutical products, the reporting of prices used to calculate Medicaid rebate information and other information affecting federal, state and third- party reimbursement for such products, and the sale and marketing of such products, are subject to scrutiny under this law. Private individuals or whistleblowers can bring FCA " qui tam " actions on behalf of the government and may share in amounts recovered. Proof of intent to deceive is not required to establish liability under the civil False Claims Act; • the federal Health Insurance Portability and Accountability Act of 1996 (" HIPAA") imposes criminal and civil liability for, among other things, executing or attempting to execute a scheme to defraud any healthcare benefit program, including any 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 statements or representations, or making false statements relating to healthcare benefits, items, or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation; • HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (" HITECH") and their implementing regulations, which imposes privacy, security, transmission and breach reporting obligations, including mandatory contractual terms, with respect to individually identifiable health information including Protected Heath Information (" PHI"), upon " covered entities " subject to the law, such as health plans, healthcare clearinghouses and certain healthcare providers, and their respective business associates and covered subcontractors that perform services on their behalf that involve individually identifiable health information, including PHI. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. Other federal and state laws, such as the Federal Trade Commission Act, also impose requirements with respect to individuals' personal information; • the federal Physician Payments Sunshine Act requires certain manufacturers of prescription drugs, devices and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program to annually report to CMS information related to payments and other transfers of value to physicians, dentists, optometrists, podiatrists, chiropractors, certain other healthcare professionals (such as nurse practitioners and physicians assistants), and teaching hospitals, and ownership and investment interests held by physicians and their immediate family members. In addition, Section 6004 of the ACA requires annual reporting of information about drug samples that manufacturers and authorized distributors provide to physicians; and • analogous state and foreign laws and regulations, such as state anti- kickback and false claims laws, which may apply more broadly than their U. S. federal analogues, such as to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non- governmental third party payors, including private insurers; state laws that require drug 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 and local laws that require the licensure of sales representatives; state laws that require drug manufacturers to report information related to drug pricing or payments and other transfers of value to healthcare providers or marketing expenditures and pricing information; data privacy and security laws and regulations in foreign jurisdictions that may be more stringent than those in the United States (such as the European Union, which adopted the General Data Protection Regulation (" GDPR") which became effective in May 2018); state laws governing the privacy and security of 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. If our operations are found to be in violation of any of the healthcare laws or regulations described above or any other healthcare regulations that apply to us, we may be subject to significant penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, imprisonment, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or consent decree, reputational harm, diminished profits and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and pursue our strategy. Environmental, Health and Safety Matters We are subject to extensive environmental, health and safety laws and regulations in a number of jurisdictions governing, among

other things, (i) the use, storage, registration, handling, emission and disposal of chemicals, waste materials and sewage; and (ii) chemical, air, water and ground contamination, air emissions and the cleanup of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals, waste materials and sewage. These laws, regulations and permits could potentially require the expenditure by us of significant amounts for compliance or remediation. If we fail to comply with such laws, regulations or permits, we may be subject to fines and other civil, administrative or criminal sanctions, including the revocation of permits and licenses necessary to continue our business activities. In addition, we may be required to pay damages or civil judgments in respect of third party claims, including those relating to personal injury (including exposure to hazardous substances we use, store, handle, transport, manufacture or dispose of), property damage or contribution claims. Some environmental, health and safety laws allow for strict, joint and several liability for remediation costs, regardless of comparative fault. We may be identified as a responsible party under such laws. Such developments could have a material adverse effect on our business, financial condition and results of operations. In addition, laws and regulations relating to environmental, health and safety matters are often subject to change. In the event of any changes or new laws or regulations, we could be subject to new compliance measures or to penalties for activities which were previously permitted. The operations of our subcontractors and suppliers are also subject to various laws and regulations relating to environmental, health and safety matters, and their failure to comply with such laws and regulations could have a material adverse effect on our business and reputation, result in an interruption or delay in the development or manufacture of our product candidates, or increase the costs for the development or manufacture of our product candidates. Human Capital Resources As of December 31, ~~2023~~ **2024** , we had a total of ~~10~~ **13** full- time employees. All of our employees are located in the United States ~~. We intend to add a limited number of employees to support our pipeline development programs~~ . From time to time, we also retain independent contractors and consultants to support our organization. We believe our internal R & D capabilities coupled with our third- party R & D consultants are sufficient to execute our clinical development strategy in a cost- effective manner. None of our employees are represented by a labor union, and we consider our employee relations to be good. Attracting, retaining and developing employees from a ~~diverse~~ **wide** range of backgrounds to support our research, development and clinical activities is an integral part of our human capital strategy and we believe we offer competitive compensation (including salary, incentive bonus, and equity) and benefits packages. Corporate Information We were incorporated in October 2011 as a Delaware corporation under the name Tigercat Pharma, Inc. We changed our name to VYNE Therapeutics Inc. in September 2020, following the merger between Foamix Pharmaceuticals Ltd. **(" Foamix")** and Menlo Therapeutics Inc. (our predecessor company **) (" Menlo"**) in March 2020. We are a " smaller reporting company, " as defined in Rule 12b- 2 of the Exchange Act. As such, we are eligible to take advantage of certain reduced or scaled disclosure requirements available to smaller reporting companies. See the risk factor captioned " We are eligible to report as a ' smaller reporting company,' and as a result of the reduced reporting requirements applicable to such companies, our securities may be less attractive to investors " for more information. Our principal executive offices are located at 685 Route 202 / 206 N., Suite 301, Bridgewater, NJ 08807. Our website is www. vynetherapeutics. com. We may use our website to comply with disclosure obligations under Regulation FD. Therefore, investors should monitor our website in addition to following its press releases, filings with the SEC, public conference calls, and webcasts. The contents of our website are not intended to be incorporated by reference into this Annual Report on Form 10- K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only. ITEM 1A- RISK FACTORS In conducting our business, we face many risks that may interfere with our business objectives. Some of these risks could materially and adversely affect our business, financial condition and results of operations. In particular, we are subject to various risks resulting from changing economic, political, industry, business and financial conditions. The risks and uncertainties described below are not the only ones we face. You should carefully consider the following factors and other information in this Annual Report on Form 10- K. If any of the negative events referred to below occur, our business, financial condition and results of operations could suffer. In any such case, the trading price of our common stock could decline. Risks Related to Development of Our Product Candidates Our business is substantially dependent on the successful development of our BET inhibitor product candidates. Our current development pipeline consists of our BET inhibitor product candidates, **repibresib gel (** VYN201 **)** and VYN202, which we are developing for the treatment of immuno- inflammatory diseases. The success of our business is dependent on our successful development and / or our ability to pursue strategic initiatives, including identifying and consummating transactions with third- party partners, to further develop, obtain marketing approval for and / or commercialize, these product candidates. Our ability to successfully progress these candidates may be hampered for many reasons, including: • a product candidate may in a preclinical study or clinical trial be shown to have harmful side effects or other characteristics that indicate it is unlikely to be effective or otherwise does not meet applicable regulatory criteria; • competitors may develop alternatives that render our product candidates obsolete or less attractive; • product candidates we develop may nevertheless be covered by third parties' patents or other proprietary rights; • a product candidate may not be capable of being produced in commercial quantities at an acceptable cost, or at all; • a product candidate may not be accepted as safe and effective by patients, the medical community or third party payors, if applicable; • creation of intellectual property rights, such as patents, which are necessary to protect our interests in a product candidate, can be challenging in relation to pharmaceutical formulations and their uses with known active pharmaceutical ingredients and generally used combinations of inactive ingredients approved by the FDA; • intellectual property rights, such as patents, which are necessary to protect our interests in a product candidate, may be difficult to obtain or unobtainable or if obtained may be difficult to enforce or unenforceable; and • intellectual property rights, such as patents, may fail to provide adequate protection, may be challenged and one or more claims may be revoked or the patent may be held to be invalid. ~~Furthermore, VYN201 and VYN202 are early stage programs.~~ The development of these new chemical entities carries even greater risk and a higher probability of failure. Our failure to successfully develop our product candidates will have a material adverse effect on our business and financial condition. Our product candidates are in **clinical** ~~early stages of~~ development and may fail in development or suffer delays that

materially and adversely affect their viability. If we are unable to complete development of, or commercialize our product candidates, or experience significant delays in doing so, our business will be materially harmed. Each of our product candidates is in **clinical** ~~the early stage of~~ development. We ~~are preparing to initiate~~ **initiated** a Phase 2b trial for ~~VYN201~~ **repibresib gel** in nonsegmental vitiligo ~~and a first-~~ ~~-human~~ **June 2024 and a** Phase ~~1a~~ **1b** trial for VYN202 in **February** ~~the second quarter of 2024~~ **2025** . Our ability to achieve and sustain profitability depends on obtaining regulatory approvals for, and successfully commercializing our product candidates, either alone or with third parties, and we cannot guarantee you that we will ever obtain regulatory approval for any of our product candidates. We have limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals including approval by the FDA. Before obtaining regulatory approval for the commercial distribution of our product candidates, we or an existing or future collaborator must conduct extensive preclinical tests and clinical trials to demonstrate the safety and efficacy in humans of our product candidates. We may not have the resources to advance the development of our product candidates if we experience issues that delay or prevent their regulatory approval, or our ability to commercialize them, including: • preclinical study results, including toxicology data, may show the product candidate to be less effective than desired or to have harmful or problematic side effects; • negative or inconclusive results from our clinical trials, leading to a decision or requirement to conduct additional preclinical testing or clinical trials or abandon a program; • product- related side effects experienced by patients in our clinical trials or by individuals using drugs or therapeutics similar to our product candidates; • our third- party manufacturers' inability to successfully manufacture our product candidates in sufficient quantities or at all; • inability of any third- party contract manufacturer to scale up manufacturing of our product candidates and those of our collaborators to supply the needs of clinical trials; • delays in enrolling patients in our clinical trials; • harmful side effects or inability of our product candidates to meet efficacy endpoints during clinical trials; • inadequate supply or quality of product candidate components or materials or other supplies necessary for the conduct of our clinical trials; • greater than anticipated costs of our clinical trials; • manufacturing costs, formulation issues, pricing or reimbursement issues, or other factors that no longer make a product candidate economically feasible; • delays and changes in regulatory requirements, policy and guidelines, including the imposition of additional regulatory oversight around clinical testing generally or with respect to our technology; and • varying interpretations of our data by the FDA and similar foreign regulatory agencies. Our inability to advance or complete the development of our product candidates, or significant delays in doing so, could have a material and adverse effect on our business, financial condition, results of operations and prospects. We may encounter delays in enrolling patients and successfully completing clinical trials for our product candidates and may be delayed in, or prevented from, commencing such trials due to factors that are largely beyond our control. We have in the past experienced and may in the future experience delays in completing clinical trials and in commencing future clinical trials. Clinical trials can be delayed or aborted for a variety of other reasons, including delay or failure to: • obtain regulatory approval to commence a trial; • reach agreement on acceptable terms with prospective contract research organizations (" CROs") and clinical trial sites, the terms of which may be subject to extensive negotiation and vary significantly among different CROs and trial sites; • obtain approval from an institutional review board (" IRB ") at each site; • enlist an adequate number of suitable patients to participate in a trial; • have patients complete a trial or return for post- treatment follow- up; • ensure clinical sites observe trial protocol or continue to participate in a trial; • address any patient safety concerns that arise during the course of a trial; • address any conflicts with new or existing laws or regulations; • add a sufficient number of clinical trial sites; or • manufacture sufficient quantities of the product candidate for use in clinical trials. Patient enrollment is also a significant factor in the timing of clinical trials and is affected by many factors, including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to available alternatives, including any new drugs or treatments that may be approved for the indications we are investigating. We may be delayed in commencing our clinical trials if the FDA, or other applicable regulatory authority, finds deficiencies or requests additional information with respect to our INDs. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND. An IND becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to a proposed clinical trial and places the trial on clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. For ~~VYN202~~ **example** , **our** ~~we submitted an IND to the FDA in December 2023 and had planned to commence a~~ Phase 1a **trial for VYN202 was initially placed on a** clinical ~~trial in the first quarter of 2024. However, we recently received correspondence from the FDA informing us that our Phase 1a clinical trial is on~~ hold ~~and requesting that we submit additional nonclinical information, which delayed our plans to initiate the trial~~ . **Following submission of** ~~We have completed the~~ additional nonclinical study **data,** ~~and expect to submit~~ the ~~requested information~~ **hold was lifted and we proceeded** to **conduct** the ~~FDA by~~ **trial, which was completed in** the **fourth** ~~end of the first~~ quarter of 2024 ~~in order to initiate the clinical trial in the second quarter of 2024, if cleared by the FDA~~ . We may also encounter delays if a clinical trial **or a clinical trial site** is suspended or terminated by us, the IRB of the institutions in which such trials are being conducted, by the trial' s data safety monitoring board, or by the FDA. Such authorities may suspend or terminate one or more of our clinical trials due to a number of factors, including our failure to conduct the clinical trial in accordance with relevant regulatory requirements or clinical protocols, inspection of the clinical trial operations or trial site by the FDA resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. If we experience delays in carrying out or completing any clinical trial of our product candidates, the commercial prospects of our product candidates may be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may significantly harm our business and financial condition. In

addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. Drug development is very expensive, time-consuming and uncertain. Our preclinical studies and clinical trials may fail to adequately demonstrate the safety and efficacy of our current or any future product candidates, or serious adverse side effects could be identified. Any of these outcomes could prevent or delay regulatory approval and commercialization or harm our ability to pursue strategic alternatives for our product candidates. Drug development is very expensive, time- consuming and difficult to design and implement, and its outcome is inherently uncertain, particularly as it relates to new chemical entities. Before obtaining regulatory approval for the commercial sale of a product candidate, we must demonstrate through preclinical studies and clinical trials that a product candidate is both safe and effective for use in the target indication. Most product candidates that commence clinical trials are never approved by regulatory authorities for commercialization. The clinical trials for these product candidates may take significantly longer than expected to complete. In addition, we, any partner with which we may in the future collaborate, the FDA, an IRB or other regulatory authorities, including state and local agencies and counterpart agencies in foreign countries, may prevent, suspend, delay, require modifications to or terminate our clinical trials at any time, for various reasons, including: • lack of effectiveness of any product candidate during clinical trials or the failure of a product candidate to meet specified endpoints; • discovery of serious or unexpected side effects experienced by trial participants, toxicities or other safety issues; • slower than expected rates of subject recruitment and patient enrollment in clinical trials resulting from numerous factors, including the prevalence of clinical trials for our competitors for their product candidates treating the same indication; • difficulty in retaining subjects who have initiated participation in a clinical trial but may withdraw at any time due to adverse side effects from the therapy, insufficient efficacy, fatigue with the clinical trial process or for any other reason; • difficulty in obtaining IRB approval for studies to be conducted at each site; • delays in manufacturing or obtaining, or inability to manufacture or obtain, sufficient quantities of materials for use in clinical trials; • inadequacy of or changes in our manufacturing process or the product formulation or method of delivery; • changes in applicable laws, regulations and regulatory policies; • delays or failure in reaching agreement on acceptable terms in clinical trial contracts or protocols with prospective CROs, clinical trial sites and other third- party contractors; • inability to add a sufficient number of clinical trial sites; • uncertainty regarding proper dosing; • failure of our CROs or other third- party contractors to comply with contractual and regulatory requirements or to perform their services in a timely or acceptable manner; • failure by us, our employees, our CROs or their employees or any partner with which we may collaborate or their employees to comply with applicable FDA or other regulatory requirements relating to the conduct of clinical trials or the handling, storage, security and recordkeeping for drug and biologic products; • scheduling conflicts with participating clinicians and clinical institutions; • failure to design appropriate clinical trial protocols; • inability or unwillingness of medical investigators to follow our clinical protocols; • difficulty in maintaining contact with subjects during or after treatment, which may result in incomplete data; and • insufficient data to support regulatory approval. If we experience delays in the completion of, or if we terminate, any of our future clinical trials, our business, financial condition, operating results and prospects would be adversely affected. In addition, product candidates that initially showed promise in early stage testing have later been found to cause side effects that prevented further development of the product candidate. For example, some systemic BET inhibitors have been linked to tolerability issues, particularly in the gastrointestinal tract and bone marrow suppressive effects like thrombocytopenia. If our product candidates are associated with side effects in preclinical studies and / or clinical trials or have characteristics that are unexpected, a number of potentially significant negative consequences could result, including: • our development costs could increase; • we may need to abandon development activities or limit development to more narrow uses in which the side effects or other characteristics are less prevalent, less severe or more acceptable from a risk- benefit perspective; • we may need to abandon the development or limit the further development of our product candidates, including in various populations and for certain indications; • we could be sued and held liable for harm caused to patients; • our reputation may suffer; • regulatory authorities may require that we suspend, discontinue, or limit our clinical trials based on safety information; • regulatory authorities may withdraw approval to market such product; • regulatory authorities may require additional warnings on the product labeling; • a medication guide outlining the risks of such side effects for distribution to patients may be required; and • market acceptance of any products that do obtain regulatory approval could be inhibited. Any of these events could prevent us from pursuing strategic alternatives, including identifying and consummating transactions with third- party partners, to further develop, obtain marketing approval for and / or commercialize the particular product candidate and could significantly harm our business, results of operations and prospects. New chemical entities may require more time and resources for development, testing and regulatory approval. Each of our BET inhibitor programs ~~is in the early stages of development,~~ involves a novel therapeutic approach and new chemical entity, requires significant further research and development and regulatory approvals and is subject to the risks of failure inherent in the development of products based on innovative approaches. New chemical entities derived from our InhiBET platform are molecules that have not previously been approved and marketed as therapeutics. As a result, the product candidates from our InhiBET platform may face greater risk of unanticipated safety issues or other side- effects, or may not demonstrate efficacy. For example, systemic BET inhibitors have historically targeted both BD1 and BD2 less selectively, causing gastrointestinal toxicity and bone marrow suppressive effects like thrombocytopenia. While we believe VYN202' s high selectivity for BD2 may alleviate the therapeutic limiting toxicities observed by other less BD2- selective BET inhibitors, we may need to spend more time and greater resources verifying any toxicity associated with VYN202. Accordingly, the regulatory pathway for our new chemical entities may be more demanding and take a longer period of time. Results obtained in preclinical studies and completed clinical trials may not predict success in later clinical trials. Success in preclinical testing and early clinical trials does not ensure that later clinical trials will be successful, and any future clinical trials that we may conduct may not demonstrate consistent or adequate efficacy and safety to obtain regulatory approval to market our product candidates in any indication. Companies in the biopharmaceutical industry frequently suffer significant setbacks in later- stage clinical trials, even after achieving promising results in preclinical

studies or earlier clinical trials. Phase 3 clinical trials often produce unsatisfactory results even though prior clinical trials were successful. Any of these events could prevent us from pursuing strategic alternatives, including identifying and consummating transactions with third- party partners, to further develop, obtain marketing approval for and / or commercialize a particular product candidate and could significantly harm our business, results of operations and prospects. Top - line and preliminary data from our clinical trials that we announce or publish from time to time may change as additional data become available and are subject to audit and verification procedures that could result in material changes in the final data. We may publicly disclose top - line or preliminary data from our clinical trials based on a preliminary analysis of then- available data. In that case, the results and related findings and conclusions remain subject to change following a complete analysis of all data related to the trial. We also make certain assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the top - line or preliminary results that we report may differ from future results of the same trials, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Top - line data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. Accordingly, top - line and preliminary data should not be considered complete and should be viewed with caution until the final data are available. We may also disclose interim data from our clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as subject enrollment continues and more subject data become available. Adverse differences between interim, top - line or preliminary data and final data could significantly harm our reputation and business prospects. Further, disclosure of interim, top - line or preliminary data by us or by our competitors could result in volatility in the price of our common stock. Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the potential of the particular program, the likelihood of marketing approval or commercialization of the particular product candidate, any approved product, and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is derived from information that is typically extensive, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular program, product candidate or our business. If the interim, top - line or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to pursue strategic alternatives, including identifying and consummating transactions with third-party partners to further develop, obtain marketing approval for and / or commercialize our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition. We have a limited history as a clinical- stage biopharmaceutical company developing product candidates for immuno- inflammatory conditions, which may make it difficult to assess our future viability. Our team has limited experience in developing drugs for the treatment of immuno- inflammatory conditions. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer history of being a clinical- stage biopharmaceutical company focused on developing drugs in this area. We may also encounter unforeseen expenses, difficulties, complications, delays and other known or unknown factors in achieving our business objectives. We may spend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success. We have chosen to initially evaluate ~~VYN201~~ **repibresib gel** in the treatment of nonsegmental vitiligo, and we intend to initially evaluate VYN202 in the treatment of moderate- to- severe plaque psoriasis and **, subject to adequate levels of funding,** moderate- to- severe adult- onset rheumatoid arthritis. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial drugs or profitable market opportunities. Our spending on current and future development programs and product candidates for specific indications may not yield any commercially viable drugs. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through partnerships, licensing or other arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. We face competition from entities that have developed or may develop product candidates for the diseases addressed by our product candidates, including companies developing novel treatments and technology platforms. If these companies develop technologies or product candidates more rapidly than we do or their technologies are more effective, our ability to develop and successfully commercialize product candidates may be adversely affected. The development and commercialization of drugs is extremely competitive. Our product candidates, if approved, will face significant competition and our failure to effectively compete may prevent us from achieving significant market penetration. Most of our competitors have significantly greater resources than we do, and we may not be able to successfully compete. We compete with a variety of multinational biopharmaceutical companies, specialized biotechnology companies and emerging biotechnology companies, as well as with technologies and product candidates being developed at universities and other research institutions. Our competitors have developed, are developing or will develop product candidates and processes competitive with our product candidates and processes. Competitive therapeutic treatments, such as OPZELURA (ruxolitinib) cream, include those that have already been approved and accepted by the medical community and any new treatments, including those based on novel technology platforms that enter the market. We believe that a significant number of products are currently under development, and may become commercially available in the future, for the treatment of conditions for which we are trying, or may try, to develop product candidates. There is intense and rapidly evolving competition in the biotechnology and biopharmaceutical fields. Competition from many sources exists or may arise in the future. Our competitors include larger and better funded biopharmaceutical, biotechnological and therapeutics companies, including companies focused on therapeutics for autoimmune

diseases. Moreover, we also compete with current and future therapeutics developed at universities and other research institutions. Some of these companies are well- capitalized and, in contrast to us, have significant clinical experience, and may include our existing or future collaborators. In addition, these companies compete with us in recruiting scientific and managerial talent. Our success will depend partially on our ability to develop and commercialize therapeutics that are safer and more effective than competing therapeutics. Our commercial opportunity and success will be reduced or eliminated if competing therapeutics are safer, more effective, or less expensive than the therapeutics we develop. We have not obtained regulatory approvals to market our product candidates, and we may be delayed in obtaining or fail to obtain such regulatory approvals and to commercialize these product candidates. The process of developing, obtaining regulatory approval for and commercializing our other product candidates is long, complex, costly and uncertain, and delays or failure can occur at any stage. Furthermore, the research, testing, manufacturing, labeling, marketing, sale and distribution of drugs are subject to extensive and rigorous regulation by the FDA. We are not permitted to market any of our product candidates in the United States until we receive approval of the applicable NDA from the FDA. To gain approval of an NDA or other equivalent regulatory approval, we must provide the FDA with clinical data and other information that demonstrates the continued safety and efficacy of the product for the intended indication. Even if we believe our clinical trials were successful, the FDA may require that we conduct additional clinical, nonclinical, manufacturing, validation or drug product quality studies and submit that data before considering or reconsidering any NDA we may submit. Depending on the extent of these additional studies, approval of any applications that we submit may be significantly delayed or may require us to expend more resources than we have available. It is also possible that additional studies we conduct may not be considered sufficient by the FDA to provide regulatory approval. If any of these outcomes occur, we would not receive approval for our other product candidates and may need to discontinue the development of such product candidates. Even if our product candidates receive marketing approval, we may continue to face future developmental and regulatory difficulties. In addition, we are subject to government regulations and we may experience delays in obtaining required regulatory approvals to market our proposed product candidates. Even if we receive approval of any regulatory filing for our product candidates, the FDA may grant approval contingent on the performance of additional costly post- approval clinical trials or REMS to monitor the safety or efficacy of the product, which could negatively impact us by reducing revenues or increasing expenses, and cause the product not to be commercially viable. Absence of long- term safety data may further limit the approved uses of products. The FDA may also approve our product candidates for a more limited indication or a narrower patient population than we originally requested, or may not approve the labeling that we believe is necessary or desirable for the successful commercialization of our product candidates. Furthermore, any such approved product will remain subject to extensive regulatory requirements, including requirements relating to manufacturing, labeling, packaging, adverse event reporting, storage, advertising, promotion, distribution and recordkeeping. If we fail to comply with the regulatory requirements of the FDA, or if we discover previously unknown problems with any approved commercial products, manufacturers or manufacturing processes, we could be subject to administrative or judicially imposed sanctions or other setbacks, which could require us to take corrective actions, including to: • suspend or impose restrictions on operations, including costly new manufacturing requirements; • refuse to approve pending applications or supplements to applications; • suspend any ongoing clinical trials; • suspend or withdraw marketing approval; • seek an injunction or impose civil or criminal penalties or monetary fines; • seize or detain products; • ban or restrict imports and exports; • issue warning letters or untitled letters; • suspend or impose restrictions on operations, including costly new manufacturing requirements; or • refuse to approve pending applications or supplements to applications. In addition, various aspects of our operations are subject to federal, state or local laws, rules and regulations, any of which may change from time to time. Costs arising out of any regulatory developments could be time- consuming and expensive and could divert management resources and attention and, consequently, could adversely affect our business operations and financial performance. We rely on third parties to conduct, supervise and monitor our clinical ~~studies~~ **trials** , and if these third parties perform in an unsatisfactory manner, it may harm our business. We rely on medical institutions, clinical investigators, contract laboratories, collaborative partners and other third parties, such as CROs, to assist us in conducting our clinical trials for our other product candidates. While we will have agreements governing their activities, we will have limited influence over their actual performance. We will control only certain aspects of our CROs' activities. Nevertheless, we will be responsible for ensuring that each of our clinical ~~studies~~ **trials** is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities. We and our CROs are required to comply with the FDA' s and other regulatory authorities' good clinical practices (" GCPs") for conducting, recording and reporting the results of clinical ~~studies~~ **trials** to assure that the data and reported results are credible and accurate, and that the rights, integrity and confidentiality of clinical trial participants are protected. If we or our CROs fail to comply with applicable GCPs, **or if our CROs do not adequately monitor the conduct of medical institutions, clinical investigators, contract laboratories or other third parties involved in our clinical trials,** the clinical data generated in our ~~future~~ clinical ~~studies~~ **trials** may be deemed unreliable and the FDA and other regulatory authorities may require us to perform additional clinical ~~studies~~ **trials** before approving any marketing applications. If the third parties or consultants that assist us in conducting our clinical trials do not perform their contractual duties or obligations, experience work stoppages, do not meet expected deadlines, terminate their agreements with us or need to be replaced, or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical trial protocols or GCPs, or for any other reason, **our clinical trial results may be negatively impacted and / or** we may need to conduct additional clinical trials or enter into new arrangements with alternative third parties, which could be difficult, costly or impossible **. As a result** , ~~and~~ our clinical trials may be extended, delayed or terminated or may need to be repeated. If any of the foregoing were to occur, we may not be able to obtain, or may be delayed in obtaining, regulatory approval for the product candidates being tested in such trials, and will not be able to, or may be delayed in our efforts to, successfully commercialize these product candidates. Changes in methods of product candidate manufacturing or formulation may result in additional costs

or delays. As product candidates are developed through preclinical studies to later- stage clinical trials towards approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods and formulation, are altered in an effort to optimize processes and results. For example, we **are** ~~intend to evaluate~~ **evaluating** a gel formulation of ~~VYN201~~ **repibresib** in our ~~planned~~ Phase 2b trial rather than an ointment, which was used in our completed Phase 1b trial. Such modifications carry the risk that they will not achieve these intended objectives, and may also require additional testing, FDA notification or FDA approval. Any of these changes could cause our product candidates to perform differently and affect the results of planned clinical trials or other future clinical trials conducted with the altered materials. This could delay completion of clinical trials, require the conduct of bridging clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates and jeopardize our ability to pursue strategic alternatives, including identifying and consummating transactions with third- party partners to further develop, obtain marketing approval for and / or commercialize our product candidates. Risks Related to ~~our~~ **Our** Financial Position and Need for Capital We will need substantial additional funding to pursue our business objectives. If we are unable to raise capital when needed, we could be forced to curtail our planned operations. Identifying potential product candidates and conducting preclinical testing and clinical trials is a time- consuming, expensive and uncertain process that takes years to complete. We may never generate the necessary data or results required to obtain marketing approval for and / or commercialize our product candidates or identify and consummate transactions with third- party partners to further develop our product candidates. We expect to incur significant expenses and operating losses for the foreseeable future as we advance our product candidates from discovery through preclinical and clinical development. In addition, we may not be able to identify and consummate transactions with third- party partners to further develop, obtain marketing approval for and / or commercialize our product candidates, and our product candidates, if approved, may not achieve commercial success. Furthermore, we incur and expect to continue to incur significant costs associated with operating as a public company, including legal, accounting, investor relations and other expenses. We also expect to add additional personnel to support our operational plans and strategic direction as needed. As of December 31, ~~2023~~ **2024** , we had $ ~~93~~ **61** . ~~3~~ **5** million in cash, cash equivalents ~~, restricted cash~~ and marketable securities. We believe these resources will enable us to fund our operating expenses and capital expenditure requirements for a period of at least 12 months from the date of this Annual Report on Form 10- K based on our current operating assumptions. These assumptions may prove to be wrong, however, and we could use our available capital resources sooner than we expect. Changes may occur beyond our control that would cause us to consume our available capital before that time, including changes in and progress of our development activities, acquisitions of additional products or product candidates, and changes in regulation. Our future capital requirements depend on many factors, including: • milestone payments associated with our development programs; • the number and development requirements of the product candidates that we may pursue; • the scope, progress, results and costs of preclinical development, laboratory testing and conducting preclinical and clinical trials for our product candidates; • costs associated with manufacturing and supplying our product candidates; • the costs, timing and outcome of regulatory review of our product candidates; • the extent to which we in- license or acquire additional product candidates and technologies; • the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property- related claims; • the impact on the timing of our preclinical studies, on the recruitment, enrollment, conduct and timing of our clinical trials, and on our business, due to external or macroeconomic factors; • our headcount and associated costs as we expand our research and development infrastructure; • our ability to identify and consummate transactions with third- party partners to further develop, obtain marketing approval for and / or commercialize our product candidates, and earn revenue from such arrangements; and • the ongoing costs of operating as a public company. Additional capital may not be available when we need it, on terms that are acceptable to us or at all. If adequate funds are not available to us on a timely basis, we may be required to revise our operating plan in order to: • delay, limit, reduce or terminate our research and development activities; or • delay, limit, reduce or terminate preclinical studies, clinical trials or other development activities for our product candidates **(including any planned clinical trials to pursue additional indications for other product candidates)** . If we raise additional capital through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish certain valuable rights to our product candidates, technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to us. If we raise additional capital through public or private equity offerings, the ownership interest of our existing stockholders will be diluted and the terms of any new debt securities or equity securities may have a preference over our common stock. In addition, if we issue warrants or preferred stock in connection with our financing activities, such securities may include terms that are unfavorable to our stockholders, including anti- dilution provisions and other preferences. In addition, any holders of preferred stock may receive preferential voting rights that are superior to the voting rights of holders of our common stock. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt or making capital expenditures or specified financial ratios, any of which could restrict our ability to operate our business. We have incurred significant losses since our inception and we anticipate that we will continue to incur significant losses for the foreseeable future, which could harm our future business prospects. We have historically incurred substantial net losses, including net losses of $ **39. 8 million and $** 28. 5 ~~million and $ 23. 2~~ million for the years ended December 31, **2024 and** 2023 ~~and 2022~~ , respectively. As of December 31, ~~2023~~ **2024** , we had an accumulated deficit of $ ~~691~~ **731** . ~~3~~ **2** million. We expect our losses to continue as we continue to devote a substantial portion of our resources to our research and development efforts. These losses have had, and will continue to have, an adverse effect on our working capital, total assets, and shareholders' equity. Because of the numerous risks and uncertainties associated with our research and development, we are unable to predict when we will become profitable, and we may never become profitable. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our inability to achieve and then maintain profitability would negatively affect our business, financial condition, results of operations, and cash flows. We anticipate that our expenses will

increase substantially if and as we: • continue to develop product candidates and conduct preclinical studies and clinical trials ; • initiate and continue research and development, including preclinical, clinical and discovery efforts for any future product candidates ; • seek to identify additional product candidates ; • seek regulatory approvals for our product candidates that may successfully complete clinical development ; • add personnel to support our product candidate development ; • hire and retain additional personnel, such as clinical, quality control, scientific, and administrative personnel ; • maintain, expand and protect our intellectual property portfolio ; and • acquire or in- license other product candidates and technologies. Our expenses could increase beyond our expectations if we are required by the FDA or other regulatory authorities to perform clinical trials in addition to those that we currently expect. SEC regulations limit the amount of funds we can raise during any 12- month period pursuant to our shelf registration statement on Form S- 3. SEC regulations limit the amount that companies with a public float of less than $ 75 million may raise during any 12- month period pursuant to a shelf registration statement on Form S- 3, referred to as the baby shelf rules. As of the filing of this Annual Report on Form 10- K, we are subject to such rules. Under these rules, the amount of funds we can raise through primary public offerings of securities in any 12- month period using our registration statement on Form S- 3, including our at- the- market equity offering program, will be limited to one- third of the aggregate market value of the shares of our common stock held by our non- affiliates. Therefore, we will be significantly limited in the amount of proceeds we are able to raise by selling shares of our common stock using our Form S- 3 until such time as our public float exceeds $ 75 million. Furthermore, if we are required to file a new registration statement on another form, we may incur additional costs and be subject to delays due to review by the SEC staff. Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish proprietary rights. We currently expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. **On March 1, 2024, we entered into a sales agreement with Cowen and Company, LLC, as sales agent (" Cowen") under which we may offer and sell, from time to time at our sole discretion, shares of our common stock through Cowen in an at- the- market offering having an aggregate offering price up to $ 50. 0 million.** To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted and the terms of these securities may include liquidation, anti- dilution protection or other preferences that adversely affect your rights as a stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. In addition, we may opportunistically seek additional capital due to favorable market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are **otherwise** unable to raise additional funds through equity or debt financings when needed, we may be required to delay, reduce or terminate our product development or grant rights to third parties to develop product candidates that we would otherwise prefer to develop ourselves. Other Risks Related to Our Business and Financial Operations Collaboration arrangements that we may enter into in the future may not be successful, which could adversely affect our ability to develop and commercialize our product candidates. We may seek collaboration arrangements with pharmaceutical or biotechnology companies for the development or eventual commercialization of our product candidates in the future. We may enter into arrangements on a selective basis, depending on the merits of retaining certain rights ourselves compared to entering into selective collaboration arrangements with pharmaceutical or biotechnology companies internationally and possibly also in the United States. Any such collaboration arrangements may not be successful. In addition, the success of future collaboration arrangements that we may enter into will depend heavily on the efforts and activities of our collaborators. Collaborators generally have significant discretion in determining the efforts and resources that they will apply to these collaborations. When entering collaboration arrangements, we are subject to a number of risks, including: • collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial or abandon products, repeat or conduct new clinical trials, require a new formulation of products for clinical testing, may decide not to pursue development and commercialization of a product or product candidate or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in their strategic focus due to their acquisition of competitive products or their internal development of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities; • any safety issues or adverse side effects that result from trials conducted by a collaborator will adversely impact our ability to obtain regulatory approval for our product candidates; • any failure by a collaborator to demonstrate efficacy of a product candidate in its clinical trials could decrease the perceived likelihood of success for our clinical trials; • disagreements between parties to a collaboration arrangement regarding clinical development matters may lead to delays in the development process or commercializing the applicable product candidate and, in some cases, termination of the collaboration arrangement; • collaboration arrangements are complex and time- consuming to negotiate, document and implement, and we may not be successful in our efforts to establish and implement collaborations or other alternative arrangements should we so chose to enter into such arrangements; • collaborations with pharmaceutical or biotechnology companies and other third parties often are terminated or allowed to expire by the other party and any such termination or expiration would adversely affect us financially and could harm our business reputation; • collaboration agreements may be terminated and, if terminated, may result in delays or the need for a new collaborator or additional capital to pursue further development of our product candidates in certain markets; • collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates; • terms of any collaborations or other arrangements that we may establish may not be favorable to us; • we could grant exclusive rights to our collaborators that would prevent us from collaborating with others; • we will face, to the extent that we decide to enter into collaboration agreements, significant competition in seeking appropriate collaborators; • collaborators may not properly use, manage, maintain or defend

our confidential information and intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability; • collaborators may own or co- own intellectual property covering products that results from our collaborating with them, and in such cases, we would not have the exclusive right to develop such intellectual property and they may be able to develop such products without us; • disputes may arise with respect to the ownership of any intellectual property developed pursuant to our collaborations; • adverse regulatory determinations or other legal action may interfere with the ability of a collaborator to conduct clinical trials or other development activity; • one or more collaborators may be subject to regulatory or legal action resulting from the failure to meet healthcare industry compliance requirements in the conduct of clinical trials; and • collaboration arrangements could be adversely impacted by changes in collaborators' key management personnel and other personnel that are administering collaboration agreements. We are subject to various risks and uncertainties arising out of the completed divestiture of our commercial business, any of which could materially and adversely affect our business and operations, and our stock price. We completed the sale of our prior commercial business in January 2022. Pursuant to the terms of the Asset Purchase Agreement entered into in connection with the purchase of that business by Journey Medical Corporation (" Journey"), we are eligible to receive sales milestone payments of up to $ 450. 0 million in the aggregate upon the achievement of specified levels of net sales on a product- by- product basis, beginning with annual net sales exceeding $ 100. 0 million. In addition, we are entitled to receive certain payments from any licensing or sublicensing of the assets by Journey outside of the United States. Under the terms of the agreement, Journey does not have any diligence obligations to achieve any such net sales milestones, and we can provide no assurance that such milestones will ever be met. Furthermore, Journey may decide not to license or sublicense the assets in any territory outside of the United States, in which case we would not receive any additional related payments. If any of the foregoing events occur, we will not realize all of the benefits of the sale. In addition, we are still subject to potential liabilities relating to our historical commercial business operations that were subject to the Asset Purchase Agreement. Under the terms of the Asset Purchase Agreement, we retained and are responsible for historical liabilities of the commercial business operations based on events occurring prior to the sale other than those liabilities expressly assumed by Journey. For example, we remain liable for payment of product sales provisions, such as distribution fees and trade discounts and allowances, rebates, chargebacks and other discounts and product returns. See" Part II — Item 8. Financial Statements — Note 2 — Significant Accounting Policies — Revenue Recognition — Product Sales Provisions." We are also obligated to indemnify Journey against certain potential liabilities and for breaches of certain representations, warranties and covenants under the agreement up to certain caps, and those liabilities may be set off against any future payments owed to us by Journey. In addition to direct expenditures for damages, settlement and defense costs, there is the possibility of adverse publicity as a result of any such claims, any of which could have a material adverse effect on our business and stock price. In addition, we remain subject to potential investigation or inquiry by regulatory authorities with respect to our legacy commercial business operations, which could result in additional distraction to our management and could ultimately result in further liabilities. Our failure to successfully in- license, acquire, develop and market additional product candidates or approved products could impair our ability to grow our business. We may in- license, acquire and develop additional product candidates. The success of this strategy depends partly upon our ability to identify and select promising pharmaceutical product candidates, negotiate licensing or acquisition agreements with their current owners and finance these arrangements. The process of proposing, negotiating and implementing a license or acquisition of a product candidate is lengthy and complex. Other companies, including some with substantially greater financial and other resources may compete with us for the license or acquisition of product candidates. We have limited resources to identify and execute the acquisition or in- licensing of third- party product candidates, businesses and technologies and integrate them into our current infrastructure. Moreover, we may devote resources to potential acquisitions or licensing opportunities that are never completed, or we may fail to realize the anticipated benefits of such efforts. Additionally, we may not be able to acquire the rights to additional product candidates on terms that we find acceptable, or at all. Further, any product candidate that we acquire may require additional development efforts prior to commercial sale, including preclinical or clinical testing and approval by the FDA and applicable foreign regulatory authorities. All product candidates are prone to risks of failure typical of pharmaceutical product development, including the possibility that a product candidate will not be shown to be sufficiently safe and effective for approval by regulatory authorities. We may engage in strategic transactions, which could impact our liquidity, increase our expenses and present significant distractions to our management. We may in- license and acquire product candidates or engage in other strategic transactions. Additional potential transactions that we may consider include a variety of different business arrangements, including out- licensing, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. Any such transaction may require us to incur non- recurring or other charges, may increase our near- and long- term expenditures and may pose significant integration challenges or disrupt our management or business, which could adversely affect our operations and financial results. For example, these transactions entail numerous potential operational and financial risks, including: • incurrence of substantial debt or dilutive issuances of equity securities to pay for acquisitions; • exposure to unknown liabilities; • disruption of our business and diversion of our management' s time and attention in order to develop acquired products, product candidates or technologies; • substantial acquisition and integration costs; • write- downs of assets or impairment charges; • increased amortization expenses; • difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel; • impairment of relationships with key suppliers, partners or customers of any acquired businesses due to changes in management and ownership; and • inability to retain our key employees or those of any acquired businesses. Accordingly, there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, and any transaction that we do complete could harm our business, financial condition, operating results and prospects. We may decide not to continue developing any of our product candidates at any time during development or of any of our products after approval, which would reduce or eliminate our potential return on investment

for those product candidates or products. We have in the past decided and may again in the future decide to discontinue the development of any of our product candidates in our pipeline or not to continue to commercialize any approved product. We may discontinue development of other product candidates for a variety of reasons, such as the appearance of new technologies that make our product less commercially viable, resource allocation management, an increase in competition from generic or other competing products, changes in or failure to comply with applicable regulatory requirements, the discovery of unforeseen side effects during clinical development or after the approved product has been marketed or the occurrence of adverse events at a rate or severity level that is greater than experienced in prior clinical trials. If we discontinue a program in which we have invested significant resources, we will receive a limited return on our investment and we will have missed the opportunity to have allocated those resources to other product candidates in our pipeline that may have had potentially more productive uses. Supply interruptions may disrupt the availability of our product candidates and cause delays in conducting preclinical or clinical activities. We depend on a limited number of manufacturing facilities to manufacture our product candidates. Numerous factors could cause interruptions in the supply or manufacture of our product candidates, including: • timing, scheduling and prioritization of production by our contract manufacturers or a breach of our agreements by our contract manufacturers; • labor interruptions; • insufficient raw and intermediate materials necessary for production; • changes in our sources for manufacturing; • the timing and delivery of shipments; • our failure to locate and obtain replacement suppliers and manufacturers as needed on a timely basis; • conditions affecting the cost and availability of raw materials, including inflationary factors; and • business interruptions resulting from geopolitical actions, including war, such as the current Russia- Ukraine war and Israel- Hamas war, and terrorism, outbreak of a contagious disease, or natural disasters including earthquakes, typhoons, floods and fires. Furthermore, the primary manufacturer of the active pharmaceutical ingredient (" API") in our product candidates is located in China. **Certain Chinese biotechnology companies and contract manufacturing organizations may become subject to trade restrictions, sanctions, and other regulatory requirements by the U. S. government, which could restrict or even prohibit our ability to work with such entities, thereby potentially disrupting the supply of material to us. Such disruption could have adverse effects on the development of our product candidates and our business operations.** Therefore, we are exposed to the possibility of product supply disruption and increased costs in the event of changes in the policies of the United States or Chinese governments or political unrest or unstable economic conditions in China. If we are required to change manufacturers for any reason, we will be required to verify that the new manufacturer maintains facilities and procedures that comply with quality standards and with all applicable regulations and guidelines. Production of product is necessary to perform preclinical activities and clinical trials and successful registration batches are necessary to file for approval to commercially market and sell product candidates. Delays in obtaining clinical material or registration batches could adversely impact our clinical trials and delay regulatory approval for our product candidates. We might not be able to utilize a significant portion of our net operating loss carryforwards and research and development tax credit carryforwards. As of December 31, ~~2023~~ **2024** , we had federal and state net operating loss carryforwards of $ ~~331~~ **343** . ~~1~~ **4** million and $ ~~41~~ **53** . ~~7~~ **6** million, respectively, of which $ 44. 3 million will begin to expire in 2031 for federal and $ ~~21~~ **53** . ~~3~~ **6** million will begin to expire in 2040 for state purposes. As of December 31, ~~2023~~ **2024** , we had federal research and development tax credit carryforwards of $ ~~6~~ **7** . ~~9~~ **2** million which will begin to expire in 2031. We have no state research and development tax credit carryforwards. **Portions of** ~~These~~ **these** net operating loss and tax credit carryforwards could expire unused and be unavailable if we do not generate sufficient taxable income prior to their expiration. ~~Under current law, our~~ U. S. federal net operating losses incurred in the taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the ability to utilize such federal net operating loss carryforwards to offset taxable income is limited to 80 % of our current year taxable income. 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 " (generally defined as a greater than 50 percentage point change, by value, in its equity ownership by significant stockholders over a three-year period) the corporation' s ability to use its pre- change net operating loss carryforwards and other pre- change tax attributes to offset its post- change income or tax liability may be limited. We have not completed a 382 study through December 31, ~~2023~~ **2024** , however, we may have experienced ownership changes in the past, including in connection with the 2020 merger between Menlo ~~Therapeutics~~ (our predecessor company) and Foamix ~~Pharmaceuticals Ltd~~ . In addition, our private placement transaction in November 2023 likely resulted in an ownership change for purposes of Section 382. We may also experience ownership changes in the future as a result of the subsequent shifts in our stock ownership, some of which may be outside of our control. As a result, even if we earn taxable income, our ability to use ~~the~~ **our** net operating loss and tax credit carryforwards may be materially limited, which could harm our future operating results by effectively increasing our future tax obligations. The Israeli Tax Authority may disagree with our conclusions regarding certain tax positions, resulting in unanticipated costs, taxes or non- realization of expected benefits. In December 2020, we initiated a voluntary liquidation of our Israeli subsidiary in order to consolidate the ownership of our intellectual property. In connection with the liquidation, the intellectual property and other assets owned by our Israeli subsidiary were assigned to us. Based on our analysis, we notified the Israeli Tax Authority that the gains realized by our Israeli subsidiary from the transfer of its assets to us were offset by net operating losses and that the liquidation did not result in tax in Israel under Israeli tax law. In the event that the Israeli Tax Authority does not agree with our analysis, we may be subject to a material tax liability. In addition, we may incur additional costs associated with defending our position. Any such outcome may have a material adverse effect on our financial results. If we fail to attract and keep senior management and key scientific personnel, we may be unable to successfully execute our strategy. Our success depends in part on our continued ability to attract, retain and motivate highly qualified management and clinical and scientific personnel. We believe that our future success is highly dependent upon the contributions of our senior management. The loss of services of any of these individuals could delay or prevent the successful preclinical and clinical development of our product pipeline. Competition for qualified personnel in the pharmaceutical field is intense due to the limited number of individuals who possess

the skills and experience required by our industry. We may need to hire additional personnel as we expand our clinical development activities. We may not be able to attract and retain quality personnel on acceptable terms, or at all. In addition, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged proprietary or other confidential information, or that their former employers own their research output. We may become subject to lawsuits or investigations that could have a material adverse impact on our business, results of operations and financial condition. From time to time and in the ordinary course of our business, we may become involved in various lawsuits, in addition to product liability lawsuits and lawsuits to protect and enforce our intellectual property. These lawsuits may include claims initiated by our third- party collaborators, suppliers, manufacturers, former employees, contractors or vendors and claims related to the sale of securities and related disclosure. In addition, we may become involved in an investigation concerning **, or indirectly related to,** our business activities, including our previous commercial activities. All such lawsuits and investigations are inherently unpredictable and, regardless of the merits of the claims, litigation may be expensive, time- consuming and disruptive to our operations and distracting to management. If resolved against us, such lawsuits could result in excessive verdicts, injunctive relief or other equitable relief that may affect how we operate our business. Similarly, if we settle such lawsuits, it may affect how we operate our business. Future court decisions, alternative dispute resolution awards, business expansion or legislative activity may increase our exposure to litigation and regulatory investigations. In some cases, substantial non- economic remedies or punitive damages may be sought. Although we maintain liability insurance coverage, including director and officer insurance with liability coverage limits, such coverage may not cover any particular verdict, judgment or settlement that may be entered against us, or our officers and directors, and such coverage may not prove to be adequate or such coverage may not continue to remain available on acceptable terms or at all. If we incur liability that exceeds our insurance coverage or that is not within the scope of the coverage in lawsuits brought against us, it could have a material adverse effect on our business, results of operations and financial condition. If our information technology systems or those of third parties upon which we rely or our data are, or were, compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions, litigation, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits and other adverse consequence. In the ordinary course of our business, we and the third parties upon which we rely process proprietary, confidential, and sensitive data, including personal data (such as health- related data), intellectual property, and trade secrets (collectively, sensitive information). Despite the implementation of security measures, our information technology systems and infrastructure, and those of our current and any future partners, contractors and consultants, are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. 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 systems or in non- encrypted portable media or storage devices. Cyber- attacks, malicious internet- based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive information and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer " hackers, " threat actors, " hacktivists, " organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation- state- supported actors. Some actors now engage and are expected to continue to engage in cyber- attacks, including without limitation nation- state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties upon which we rely, may be vulnerable to a heightened risk of these attacks, including retaliatory cyber- attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services. We and the third parties upon which we rely may be subject to a variety of evolving threats, including but not limited to social- engineering attacks (including through phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial- of- service attacks (such as credential stuffing), credential harvesting, personnel misconduct or error, ransomware attacks, supply- chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures, attacks enhanced or facilitated by artificial intelligence, and other similar threats. In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. We are increasingly dependent upon information technology systems, infrastructure and data to operate our business. Remote work ~~has become more common and~~ has increased risks to our information technology systems and data, as more of our employees utilize network connections, computers and devices outside our premises or network, including working at home, while in transit and in public locations. Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program. While we have not experienced any such material system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could cause damage or destroy assets, compromise business systems, result in proprietary information, trade secrets and other sensitive information being altered, lost, stolen, or published and may result in loss of intellectual property and in employee or third- party information being compromised, or otherwise disrupt business operations. For example, the loss of manufacturing records or clinical trial data from completed, ongoing or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to

result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development of our current and any future product candidates could be delayed. Our employees, independent contractors, principal investigators, consultants, vendors, CROs and any partners with which we may collaborate may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have an adverse effect on our business. We are exposed to the risk that our employees, independent contractors, principal investigators, consultants, vendors, CROs, distributors, prescribers, pharmacies and any partners with which we may collaborate may engage in fraudulent or other illegal activity. Misconduct by these persons could include intentional, reckless or negligent conduct or unauthorized activity that violates: laws or regulations, including those laws requiring the reporting of true, complete and accurate information to the FDA or foreign regulatory authorities; manufacturing standards; federal, state and foreign healthcare fraud and abuse laws and data privacy; or laws that require the true, complete and accurate reporting of financial information or data. In particular, sales, marketing and other business arrangements in the healthcare industry are subject to extensive laws intended to prevent fraud, kickbacks, self- dealing and other abusive practices. These laws may restrict or prohibit a wide range of business activities, including research, manufacturing, distribution, pricing, discounting, marketing and promotion, sales commissions, customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of clinical trials, or illegal misappropriation of drug product, which could result in regulatory sanctions or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations, and serious harm to our reputation. In addition, federal procurement laws impose substantial penalties for misconduct in connection with government contracts and require certain contractors to maintain a code of business ethics and conduct. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, 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 our operations, any of which could adversely affect our ability to operate our business and our operating results. Unfavorable global economic conditions could adversely affect our business, financial condition or results of operations. A severe or prolonged economic downturn could result in a variety of risks to our business, including our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption and ultimately delaying our development activities. For example, inflation rates, particularly in the United States and United Kingdom, have increased recently to levels not seen in years, and increased inflation may result in increases in our operating costs (including our labor costs), reduced liquidity and limits on our ability to access credit or otherwise raise capital. In addition, the Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation, which coupled with reduced government spending and volatility in financial markets may have the effect of further increasing economic uncertainty and heightening these risks. Additionally, global commerce has experienced periods of volatility and interruption following the invasion of Ukraine by Russia in February 2022 and the escalation of conflict in the Middle East in October 2023. **In early 2025, the U. S. government also began imposing tariffs on certain foreign products, including products from China, which may lead to retaliatory tariff policies from other nations and result in increased costs of conducting our business.** Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate **and geopolitical** and financial market conditions could adversely impact our business. Risks Related to Government Regulation ~~We are subject to various U. S. federal, state, local and foreign health care fraud and abuse laws, including anti- kickback, self- referral, false claims and fraud laws, health information privacy and security, and transparency laws, and any violations by us of such laws could result in substantial penalties or other consequences including criminal sanctions, civil~~ penalties, contractual damages, reputational harm, and diminished profits and future earnings. 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, state, local and foreign health care fraud and abuse laws pertaining to our business, including anti- kickback, false claims and physician transparency laws. Our business practices and relationships with providers, patients and third- party payors are subject to scrutiny under these laws. These laws may impact, among other things, our potential sales, marketing, patient assistance and education programs. We may also be subject to patient information privacy and security regulation by both the federal government, states and foreign jurisdictions in which we conduct our business. The healthcare laws and regulations that may affect our ability to operate include: • the U. S. federal Anti- Kickback Statute, which prohibits, among other things, knowingly and willfully offering, soliciting, receiving, or paying remuneration directly or indirectly, in cash or in kind to induce or reward either the referral of an individual for, or the purchase, order or recommendation of goods or services for which payment may be made in whole or part by Medicare, Medicaid or other federal health care programs. Remuneration has been broadly defined to include anything of value, including cash, improper discounts, and free or reduced price items and services. The intent standard under the federal Anti- Kickback Statute was amended by the ACA to a stricter standard such that a person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it, in order to have committed a violation. In addition, the ACA provides that a claim including items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA. Additionally, many states have similar laws that apply to their state health care programs as well as private payors. Violations of the federal or state anti- kickback laws can result in exclusion from federal and state health care programs and substantial civil and criminal penalties; • the federal civil and criminal false claims laws and civil monetary penalties laws, including the FCA, prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, false, fictitious or fraudulent claims for payment from Medicare, Medicaid or other federal healthcare programs, and knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government. As a result of a modification made by the

Fraud Enforcement and Recovery Act of 2009, a claim includes " any request or demand " for money or property presented to the federal government. Even where pharmaceutical companies do not submit claims directly to payors, they can be held liable under these laws if they are deemed to " cause " the submission of false or fraudulent claims by, for example, providing inaccurate billing or coding information to customers, promoting a product off- label, marketing products of sub- standard quality, or, as noted above, paying a kickback that results in a claim for items or services. In addition, activities relating to the reporting of wholesaler or estimated retail prices for pharmaceutical products, the reporting of prices used to calculate Medicaid rebate information and other information affecting federal, state and third- party reimbursement for such products, and the sale and marketing of such products, are subject to scrutiny under this law. For example, several pharmaceutical and other healthcare companies have faced enforcement actions under these laws for allegedly inflating drug prices they report to pricing services, which in turn were used by the government to set Medicare and Medicaid reimbursement rates, and for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. Private individuals or " whistleblowers " can bring FCA " qui tam " actions on behalf of the government and may share in recovered amounts. The FCA has been used to prosecute persons submitting claims for payment that are inaccurate or fraudulent, that are for services not provided as claimed, or for services that are not medically necessary. Proof of intent to deceive is not required to establish liability under the civil False Claims Act; • HIPAA, which imposes criminal and civil liability for, among other things, executing or attempting to execute a scheme to defraud any healthcare benefit program, including any 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 statements or representations, or making false statements relating to healthcare benefits, items or services. Similar to the federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation; • HIPAA, as amended by HITECH, and their respective implementing regulations, including the Final Omnibus Rule published on January 25, 2013, which impose, among other things, obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information held by certain healthcare providers, health plans and healthcare clearinghouses, known as " covered entities, " and " business associates. " Among other things, HITECH made certain aspects of HIPAA' s rules (notably the Security Rule) directly applicable to business associates- independent contractors or agents of covered entities that receive or obtain individually identifiable health information in connection with providing a service on behalf of a covered entity, and their covered subcontractors. HITECH also created four new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal court to enforce the federal HIPAA laws and seek attorney' s fees and costs associated with pursuing federal civil actions. The Department of Health and Human Services Office for Civil Rights (" OCR") has increased its focus on compliance and continues to train state attorneys general for enforcement purposes. The OCR has increased both its efforts to audit HIPAA compliance and its level of enforcement, with one penalty amounting to $ 16 million. In addition, according to the United States Federal Trade Commission (" FTC") failing to take appropriate steps to keep consumers' personal information secure constitutes unfair acts or practices in or affecting commerce in violation of Section 5 (a) of the Federal Trade Commission Act (" FTCA") 15 USC § 45 (a). The FTC expects a company' s data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Medical data is considered sensitive data that merits stronger safeguards. The FTC' s guidance for appropriately securing consumers' personal information is similar to what is required by the HIPAA Security Rule; • the federal Physician Payments Sunshine Act and its implementing regulations, which require certain manufacturers of prescription drugs, devices and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program to annually report to CMS information related to payments and other transfers of value to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain other healthcare professionals (such as nurse practitioners and physicians assistants) and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. In addition, Section 6004 of the ACA requires annual reporting of information about drug samples that manufacturers and authorized distributors provide to physicians; and • analogous state, local and foreign laws and regulations, such as state anti- kickback and false claims laws, and other states' laws addressing the pharmaceutical and healthcare industries, may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non- governmental third party payors, including private insurers, and in some cases that may apply regardless of payor, i. e., even if reimbursement is not available; state laws that require drug companies to comply with the industry' s voluntary compliance guidelines (the PhRMA Code) and the applicable compliance program guidance promulgated by the federal government (HHS- OIG) or otherwise prohibit or restrict gifts or payments that may be made to healthcare providers and other potential referral sources; state and local laws that require the licensure of sales representatives; state laws that require drug manufacturers to report information related to drug pricing or payments and other transfers of value to healthcare providers or marketing expenditures and pricing information; and state laws related to insurance fraud in the case of claims involving private insurers. These and similar laws may be subject to amendment or reinterpretation, and implementing regulations may be revised or reinterpreted, in ways that may significantly affect our business. State and federal authorities have aggressively targeted pharmaceutical companies for alleged violations of these fraud and abuse laws based on improper research or consulting contracts with doctors, certain marketing arrangements that rely on volume- based pricing, off- label marketing schemes, and other improper promotional practices. Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes,

regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the health regulatory laws described above or any other laws or regulations that apply to us, we may be subject to significant penalties, including criminal, civil and administrative penalties, damages, fines, disgorgement, individual imprisonment, exclusion from participation in government healthcare programs, debarment from contracting with the U. S. government, injunctions and private qui tam actions brought by individual whistleblowers in the name of the government. Companies targeted in such actions have, among other consequences, paid substantial fines in the hundreds of millions of dollars or more, have been forced to implement extensive corrective action plans, and have often become subject to consent decrees or corporate integrity agreements that severely restrict the manner in which they conduct their business, including the requirement of additional reporting and oversight obligations. 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. Responding to investigations, enforcement actions and litigation can be time- and resource- consuming and can divert management' s attention from the business. Any such investigation, action, litigation or settlement could increase our costs or otherwise have an adverse effect on our business and reputation. Even an unsuccessful challenge or investigation into our practices could cause adverse publicity and be costly to respond to. In addition, the approval and commercialization of any of our product candidates outside the U. S. will also likely subject us to non- U. S. equivalents of the healthcare laws mentioned above, among other non- U. S. laws. We **and third parties with whom we work** are subject to stringent and evolving U. S. and foreign laws, regulations, and rules, contractual obligations, industry standards, policies and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse business consequences. In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials, sensitive third- party data, business plans, transactions, and financial information. ~~Our~~ **The** data processing activities **related to our work** subject us **and the third parties with whom we work** to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security. In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e. g., Section 5 of the Federal Trade Commission Act), and other similar laws. ~~In the past few years, numerous~~ **Numerous** U. S. states ~~— including California, Virginia, Colorado, Connecticut, and Utah —~~ have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt- out of certain data processing activities, such as targeted advertising, profiling, and automated decision- making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (" CPRA "), (collectively, " CCPA ") applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines of up to $ 7, 500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA exempts some data processed in the context of clinical trials, the CCPA increases compliance costs and potential liability with respect to other personal data we maintain about California residents. Similar laws are being considered in several other states, as well as at the federal and local levels, and we expect more states to pass similar laws in the future. While these states, like the CCPA, also exempt some data processed in the context of clinical trials, these developments further complicate compliance efforts, and increase legal risk and compliance costs for us, and the third parties upon whom we rely. Outside the United States, an increasing number of laws, regulations, and industry standards govern data privacy and security. For example, the European Union' s General Data Protection Regulation (" EU GDPR "), the United Kingdom' s GDPR (" UK GDPR "), Brazil' s General Data Protection Law, and China' s Personal Information Protection Law (" PIPL ") impose strict requirements for processing personal data. For example, under the GDPR, companies may face temporary or definitive bans on data processing and other corrective actions; fines of up to 20 million Euros under the EU GDPR, 17. 5 million pounds sterling under the UK GDPR or, in each case, 4 % of annual global revenue, whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests. In the ordinary course of business, we may transfer personal data from Europe and other jurisdictions to the United States or other countries. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area (EEA) and the United Kingdom (UK) have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. Other jurisdictions may adopt **or have already adopted** similarly stringent ~~interpretations of their~~ data localization and cross- border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, such as the EEA standard contractual clauses, the UK' s International Data Transfer Agreement / Addendum, and the EU- U. S. Data Privacy Framework and the UK extension thereto (which allows for transfers to relevant U. S.- based organizations who self- certify compliance and participate in the Framework), these mechanisms are subject to legal

challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally- compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. When our employees and personnel use generative artificial intelligence (" AI ") technologies to perform their work, the disclosure and use of personal data in generative AI technologies is subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages. Healthcare reforms by governmental authorities and related reductions in pharmaceutical pricing, reimbursement and coverage by third party payors may adversely affect our business. We expect the healthcare industry to face increased limitations on reimbursement, rebates and other payments as a result of healthcare reform, which could adversely affect third party coverage of any future products and how much or under what circumstances healthcare providers will prescribe or administer our products, if approved. In both the United States and other countries, sales of our products, if approved, will depend in part upon the coverage and adequate reimbursement from third party payors, which include governmental authorities, managed care organizations and other private health insurers. Third party payors include government health administrative authorities, managed care providers, private health insurers and other organizations. The process for determining whether a payor will provide coverage for a drug product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the drug product. Third party payors may limit coverage to specific drug products on an approved list, or formulary, which might not include all of the FDA- approved drug products for a particular indication. Third party payors are increasingly challenging the price and examining the cost effectiveness of medical products and services. A payor may not consider a product to be medically necessary or cost- effective. Moreover, a payor' s decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved, or that other payors will similarly provide similar coverage for the product. Adequate third- party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development. Increasing expenditures for healthcare have been the subject of considerable public attention in the United States. Both private and government entities are seeking ways to reduce or contain healthcare costs. Numerous proposals that would effect changes in the U. S. healthcare system have been introduced or proposed in Congress and in some state legislatures, including reducing reimbursement for prescription products and reducing the levels at which consumers and healthcare providers are reimbursed for purchases of pharmaceutical products. Cost reduction initiatives and changes in coverage implemented through legislation or regulation could decrease utilization of and reimbursement for any approved products, which in turn would affect the price we can receive for those products. Any reduction in reimbursement that results from federal legislation or regulation may also result in a similar reduction in payments from private payors, as private payors often follow Medicare coverage policy and payment limitations in setting their own reimbursement rates. Significant developments that may adversely affect pricing in the United States include the enactment of federal healthcare reform laws and regulations. Changes in the healthcare system enacted as part of healthcare reform in the United States, as well as the increased purchasing power of entities that negotiate on behalf of Medicare, Medicaid, and private sector beneficiaries, may result in increased pricing pressure by influencing, for instance, the reimbursement policies of third party payors. While healthcare reform legislation **, such as the ACA,** may have increased the number of patients who are expected to have insurance coverage for our product candidates, provisions such as the assessment of a branded pharmaceutical manufacturer fee and an increase in the amount of rebates that manufacturers pay for coverage of their drugs by Medicaid programs may have an adverse effect on us. It is uncertain how current and future reforms in these areas will influence the future of our business operations and financial condition. Since its enactment, there have been judicial, Congressional and political challenges **and amendments** to certain aspects of ~~the ACA. For example, while in office, then- President Trump signed two Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, in December 2017, Congress repealed the tax penalty for an individual' s failure to maintain ACA- mandated health insurance, commonly known as the" individual mandate", as part of legislation enacted in 2017, the Tax Cuts and Jobs Act of 2017 (the" Tax Act"). On June 17, 2021, the U. S. Supreme Court held that state and individual plaintiffs did not have standing to challenge the individual mandate provision of the ACA; in so holding, the Supreme Court did not consider larger constitutional questions about the validity of this provision or the validity of the ACA in its entirety. In addition, there have been a number of health reform initiatives by the Biden administration that have impacted~~ the ACA. For example, on August 16, 2022, ~~President Biden signed~~ the Inflation Reduction Act of 2022 (" IRA ") **was signed** into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in ACA marketplaces through plan year 2025. The IRA also eliminates the" donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out- of- pocket cost and creating a new manufacturer discount program. It is possible that the **ACA** ~~Affordable Care Act~~ will be subject to judicial or Congressional challenges in the future. It is unclear how any such challenges, if any, and **additional reform measures of** ~~other~~ -- **the second Trump administration** ~~efforts to modify, repeal and replace the ACA~~ will impact the ACA. Although we cannot predict ~~the form of any such replacement of the~~

~~ACA may take, if any, or~~ the full effect on our business of the enactment of additional legislation pursuant to healthcare and other legislative reform, we believe that legislation or regulations that would reduce reimbursement for, or restrict coverage of, any future products could adversely affect how much or under what circumstances healthcare providers will prescribe or administer any products we market in the future. This could materially and adversely affect our business by reducing our ability to generate revenues, raise capital, obtain additional licensees, and market our products, if approved. In addition, we believe the increasing emphasis on managed care in the United States has and will continue to put pressure on the price and usage of pharmaceutical products, which may adversely impact product sales. Recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several U. S. Congressional inquiries and proposed federal legislation designed to, among other things, bring more transparency to product pricing, reduce the cost of certain products under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies. For example, **the IRA** ~~in July 2021~~ , **among** ~~the~~ **other things (i) directs** ~~Biden administration released an executive order, " Promoting Competition in the American Economy, " with multiple provisions aimed at prescription drugs. In response to Biden' s executive order, on September 9, 2021,~~ the U. S. Department of Health and Human Services (" HHS ") ~~released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue to advance these principles. Further, the IRA, among other things (i) directs HHS~~ to negotiate the price of certain high-expenditure, single- source drugs ~~and biologics~~ **that have been on the market for at least 7 years** covered under Medicare **(the " Medicare Drug Price Negotiation Program "),** and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. These provisions **began to** take effect progressively ~~starting~~ in fiscal year 2023. On August ~~29~~ **15** , ~~2023~~ **2024** , HHS announced the ~~list~~ **agreed- upon prices** of the first ten drugs that **were** ~~will be~~ subject to price negotiations, although the Medicare ~~drug~~ **Drug** ~~price~~ **Price** ~~negotiation~~ **Negotiation** ~~program~~ **Program** is currently subject to legal challenges. **On January 17,** ~~In response to the Biden administration' s October 2022~~ **2025** ~~executive order, on February 14, 2023~~ , HHS ~~released a report outlining three new models~~ **selected fifteen additional drugs covered under Part D** for ~~testing by the CMS Innovation Center which~~ **price negotiation in 2025. Each year thereafter, more Part B and Part D products** will ~~be evaluated on~~ **become subject to** ~~their~~ -- **the Medicare Drug Price Negotiation Program** ~~ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future~~ . Further, on December 7, 2023, ~~the Biden administration announced~~ an initiative to control the price of prescription drugs through the use of march- in rights under the Bayh- Dole Act **was announced** . On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March- In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march- in rights. While march- in rights have not previously been exercised, it is uncertain if that will continue under the new framework. At the state level, individual states in the United States are also increasingly passing legislation and implementing regulations designed to control product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures. It is likely that additional state and federal healthcare reform measures will be adopted in the future, **particularly in light of the recent U. S. Presidential and Congressional elections,** any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for a pharmaceutical manufacturer' s products or additional pricing pressure. Legislative or regulatory healthcare reforms in the United States may make it more difficult and costly for us to obtain regulatory clearance or approval of our product candidates and to produce, market, and distribute our products after clearance or approval is obtained. From time to time, legislation is drafted and introduced in Congress that could significantly change the statutory provisions governing the regulatory clearance or approval, manufacture, and marketing of regulated products or the reimbursement thereof. In addition, FDA regulations and guidance are often revised or reinterpreted by the FDA in ways that may significantly affect our business. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of any of our product candidates **. For example, the U. S. Supreme Court' s June 2024 decision in Loper Bright Enterprises v. Raimondo overturned the longstanding Chevron doctrine, under which courts were required to give deference to regulatory agencies' reasonable interpretations of ambiguous federal statutes. The Loper decision could result in additional legal challenges to regulations and decisions issued by federal agencies, including the FDA, on which we rely. Any such legal challenges, if successful, could have a material impact on our business. Additionally, the Loper decision may result in increased regulatory uncertainty, inconsistent judicial interpretations, and other impacts to the agency rulemaking process, any of which could adversely impact our business and operations** . We cannot determine what effect changes in regulations, statutes, legal interpretation or policies, when and if promulgated, enacted or adopted may have on our business in the future. Such changes could, inter alia, require: • changes to manufacturing methods; • recall, replacement, or discontinuance of products; and • additional recordkeeping. Each of these would likely entail substantial time and cost and could adversely affect our business and our financial results. We and our contract manufacturers are subject to significant regulation with respect to manufacturing of our product candidates. The manufacturing facilities on which we rely may not continue to meet regulatory requirements and have limited capacity. We and the contract manufacturers for our product candidates are subject to extensive regulation. Some components of a finished drug product used in late- stage clinical studies must be manufactured in accordance with cGMP. These regulations govern manufacturing processes and procedures (including record keeping) and the implementation and operation of quality systems to control and assure the quality of investigational products and products approved for sale. Poor control of production processes can lead to the introduction of adventitious agents or other contaminants, or to inadvertent changes in the properties or stability of our product and product candidates that may not be detectable in final product testing. We or our contract manufacturers must supply all necessary documentation in support of regulatory applications

on a timely basis and where required, must adhere to the FDA' s or other regulator' s good laboratory practices and cGMP regulations enforced by the FDA or other regulator through facilities inspection programs. Our facilities and quality systems and the facilities and quality systems of some or all of our third- party contractors must pass a pre- approval inspection for compliance with the applicable regulations as a condition of marketing approval of our product and potential products. In addition, the regulatory authorities may, at any time, audit or inspect a manufacturing facility involved with the preparation of our product candidates or the associated quality systems for compliance with the regulations applicable to the activities being conducted. If these facilities do not pass a pre- approval plant inspection, FDA or other marketing approval of the products may not be granted. The regulatory authorities also may, at any time following approval of a product for sale, audit the manufacturing facilities of our third- party contractors. If any such inspection or audit identifies a failure to comply with applicable regulations or if a violation of our product specifications or applicable regulations occurs independent of such an inspection or audit, we or the relevant regulatory authority may require remedial measures that may be costly and / or time-consuming for us or a third party to implement and that may include the temporary or permanent suspension of a clinical trial or commercial sales or the temporary or permanent closure of a facility. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business. If we or any of our third- party manufacturers fail to maintain regulatory compliance, the FDA or other regulators can impose regulatory sanctions including, among other things, refusal to approve a pending application for a product, or revocation of a pre- existing approval. As a result, our business, financial condition and results of operations may be materially harmed. Additionally, if supply from one approved manufacturer is interrupted, there could be a significant disruption in supply. The number of manufacturers with the necessary manufacturing capabilities is limited. Switching manufacturers may involve substantial costs and is likely to result in a delay in our desired clinical timelines. These factors could cause the delay of clinical studies, regulatory submissions, or required approvals of any future products, and cause us to incur higher costs. Furthermore, if our suppliers fail to meet contractual requirements and we are unable to secure, validate and obtain approval of one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical studies may be delayed or we could lose potential revenues. Changes in funding for the FDA and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal functions on which the operation of our business may rely, which could negatively impact our business. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding other government agencies on which our operations may rely, including those that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and / or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, the U. S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical government employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, and such delays could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations. We are subject to various U. S. and foreign anti- bribery and anti- corruption laws, and any violations by us of such laws could result in substantial penalties. The U. S. Foreign Corrupt Practices Act (" FCPA"), and similar worldwide anti- bribery and anti- corruption laws, generally prohibit companies and their intermediaries from **directly or indirectly** offering, making or authorizing improper payments **or the provision of anything of value** to government officials for the purpose of obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls ~~for international operations~~. Our internal control policies and procedures may not protect us from reckless or negligent acts committed by our employees, future distributors, licensees or agents. Violations of these laws, or allegations of such violations, could result in fines, penalties or prosecution and have a negative impact on our business, results of operations and reputation. Our business involves the use of hazardous materials and we and our third party manufacturers and suppliers must comply with environmental laws and regulations, which can be expensive and restrict how we do business. Our research and development activities and our third party subcontractors' and suppliers' activities involve the controlled storage, use and disposal of hazardous materials owned by us, including key components of our product candidates, and other hazardous compounds. We and our manufacturers and suppliers are subject to laws and regulations governing the use, manufacture, storage, handling and disposal of these hazardous materials. In some cases, these hazardous materials are stored at our and our subcontractors' facilities pending their use and disposal. Despite our efforts, we cannot eliminate the risk of contamination. This could cause an interruption of our development efforts and business operations, environmental damage resulting in costly clean-up and liabilities under applicable laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. Although we believe that the safety procedures utilized by us and our subcontractors and suppliers for handling and disposing of these materials generally comply with the standards prescribed by these laws and regulations, this may not be the case and there may be risk of accidental contamination or injury from these materials. In such an event, we may be held liable for any resulting damages and such liability could exceed our resources and state or federal or other applicable authorities may curtail our use of certain materials and interrupt our business operations. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance. Sanctions and other trade control laws create the potential for

significant liabilities, penalties and reputational harm. We may be subject to national laws as well as international treaties and conventions controlling imports, exports, re- export and diversion of goods, services and technology. These include import and customs laws, export controls, trade embargoes and economic sanctions, denied party watch lists and anti- boycott measures (collectively " Customs and Trade Controls "). Applicable Customs and Trade Controls are administered by ~~Israel' s Ministry of Finance,~~ the U. S. Treasury' s Office of Foreign Assets Control (OFAC), other U. S. agencies **, Israel' s Ministry of Finance,** and other agencies of other jurisdictions where we do business. Customs and Trade Controls relate to a number of aspects of our business, including most notably the sales of API as well as the licensing of intellectual property. ~~Compliance with~~ Customs and Trade Controls has been the subject of increasing focus and activity by regulatory authorities, both in the United States and elsewhere, in recent years **. Compliance with Customs and Trade Controls may create delays in the introduction of our products in international markets or, in some cases, prevent the export of our products to some countries altogether. Furthermore, Customs and Trade Controls may prohibit the provision of certain products and services to countries, governments, and persons targeted by sanctions** . Although we have policies and procedures designed to address compliance with Customs and Trade Controls, actions by our employees, by third- party intermediaries or others acting on our behalf in violation of relevant laws and regulations may expose us to liability and penalties for violations of Customs and Trade Controls and accordingly may have a material adverse effect on our reputation and our business, financial condition and results of operations. Risks Related to Our Intellectual Property If our efforts to obtain, protect or enforce our patents and other intellectual property rights related to any of our product candidates are not adequate, we may not be able to compete effectively and we otherwise may be harmed. Our success depends in part on our ability to obtain and maintain patent protection and other intellectual property rights and to utilize trade secret protection for our intellectual property and proprietary technologies, our product candidates and their uses, as well as our ability to operate without infringing upon the proprietary rights of others. We rely upon a combination of patents, trade secret protection, trademarks, domain names, trade dress, copyright, confidentiality agreements, assignment of invention agreements and other contractual arrangements to protect the intellectual property related to our programs. Limitations on the scope of our intellectual property rights may limit our ability to defend our product candidates and to prevent third parties from designing around such rights and competing against us. Other parties may compete with us, for example, by independently developing or obtaining competing compounds and formulations and methods of manufacture that design around our various patent claims, or by using formulations from expired patents, but which may contain the same active ingredients, and or by opposing our applications or seeking to invalidate our patents. In addition, other parties may seek to impede us or limit our ability to operate, and or seek to compete with us, for example, by filing patent applications directed to methods of manufacture of our compounds, directed to methods of use of our compounds, and or directed to formulations for use with our compounds. The pending patent applications in relation to ~~VYN201~~ **repibresib gel** and VYN202 are primarily licensed in ~~from the University of Dundee and / or~~ from Tay and are subject to the terms and conditions of the respective licenses. If we were unable to comply with the license terms, we could be at risk of potentially forfeiting the licenses and rights to these pending patent applications, which could revert back to the licensors, and we would then no longer be able to pursue these programs. Our ability to file, prosecute and obtain issued patents in the US and in key foreign jurisdictions and the expiration dates of such patents, if granted, will limit our ability to profit from the commercialization of our product candidates, if approved, as may challenges to our patent applications and claims. Furthermore, any disclosure to or misappropriation by third parties of our confidential or proprietary information could enable competitors to quickly duplicate or surpass our technological achievements, thus eroding our competitive position in our market. In patent litigation in the United States, defendant counterclaims alleging invalidity and / or unenforceability are commonplace. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to validity, for example, there may be an invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a party were to prevail on a legal assertion of invalidity and / or unenforceability against our intellectual property related to one or more of our product candidates, we would lose at least part, and perhaps all, of the patent protection on such products or product candidates. Such a loss of patent protection would have a material adverse impact on our business. Our pending patent applications may not issue, or the scope of the claims of patent applications that do issue may be too narrow or inadequate to provide or protect a competitive advantage. Even if these patents do successfully issue, third parties may challenge the validity, enforceability or scope of such granted patents or any other granted patents we own or license, which may result in such patents being narrowed, invalidated, or held unenforceable. We have in- licensed intellectual property necessary to develop our BET inhibitor product candidates, and if we fail to comply with our obligations under any of these arrangements, we could lose such intellectual property rights. We have in- licensed our BET inhibitor compounds from Tay. Our arrangements impose various development, royalty and other obligations on us. If we materially breach these obligations or if our counterparts fail to adequately perform their respective obligations, these exclusive arrangements could be terminated, which would result in our inability to develop, manufacture and sell BET inhibitor products that are covered by such intellectual property. Since patent applications in the United States and most other countries are confidential for a period of time after filing, we cannot be certain that we or our licensor were the first to (i) file any patent application related to our product candidates or (ii) conceive and invent any of the inventions claimed in our patents or patent applications or in our licensed in patents or patent applications. The United States utilizes a " first- to- file " system for deciding which party should be granted a patent when two or more patent applications are filed by different parties claiming the same invention. A third party that files a patent application in the USPTO under the first- to- file system before us could be awarded a patent covering an invention of ours even if we had made the invention before it was made by the third party. Other patent laws limit where a patentee may file a patent infringement suit and provide opportunities for third parties to challenge any issued patent in the USPTO. The USPTO Patent Trial and Appeal Board (PTAB) applies the same claim construction standard applied by civil courts under 35 USC § 282 (b) in IPR, post- grant review, and the transitional program for covered business method patents proceedings. The impact this may have in practice on the use and outcome of USPTO proceedings is uncertain. PTAB

proceedings continue to be a developing and uncertain area of practice and law. Because of lower costs and the fact that USPTO statistics indicate that a high rate of challenged claims are being invalidated in these USPTO procedures, they may continue to be a popular and effective means of challenging patents. Even where patent, trade secret and other intellectual property laws provide protection, costly and time- consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and the outcome of such litigation would be uncertain. Moreover, any actions we may bring to enforce our intellectual property against our competitors could provoke actions or counterclaims against us, and our competitors have intellectual property of their own, some of which include substantial patent portfolios. An unfavorable outcome could have a material adverse effect on our business and could result in the challenged patent (s) or one or more of claims being interpreted narrowly or invalidated, or held not to be infringed, or one or more of our patent applications may not be granted. We also rely on trade secret protection and confidentiality agreements to protect our know- how, data and information e. g., prior to filing patent applications and during the period before they are published. We additionally rely on trade secret protection and confidentiality agreements to protect proprietary know- how that we consider may be maintained as a trade secret rather than the subject of a patent application. We further rely on trade secret protection and confidentiality agreements to protect proprietary know- how that may not be patentable, processes for which patents may be difficult to obtain or enforce and other elements of our product development processes that involve proprietary know- how, information or technology that is not covered by patents. We additionally rely on trade secret protection and confidentiality agreements to protect proprietary inventions and related know- how before patent applications are filed and published. We also enter into and rely on, where appropriate, common interest agreements to protect privileged confidential information. In an effort to protect our trade secrets and other confidential information, we incorporate confidentiality provisions in all our employees' agreements and require our consultants, contractors and licensees to which we disclose such information to execute confidentiality agreements upon the commencement of their relationships with us. These agreements require that confidential information, as defined in the agreement and disclosed to the individual by us during the course of the individual' s relationship with us, be kept confidential and not disclosed to third parties for an agreed term. These agreements, however, may not provide us with adequate protection against accidental or improper use or disclosure of confidential information, and these agreements may be breached. Adequate remedies may not exist in the event of unauthorized use or disclosure of our confidential information. A breach of confidentiality could significantly affect our competitive position and we could lose our trade secrets, or they could become otherwise known, or be independently discovered by our competitors. Although we make efforts to protect our trade secrets and other confidential information we cannot be certain that all parties that gain access to our proprietary information, or who may be involved in the development of our intellectual property have entered into written confidentiality agreements, or that such agreements will be sufficiently protective, or that they will not be breached. Also, to the extent that our employees, consultants or contractors use any intellectual property owned by others in their work for us, disputes may arise as to the rights in any related or resulting know- how and inventions. Additionally, others may independently develop the same or substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets and other confidential information. Any of the foregoing could deteriorate our competitive advantages, undermine the trade secret and contractual protections afforded to our confidential information and have material adverse effects on our business. We rely on information technology and access to the internet. Loss of material on servers or the cloud, disruptions and or breaches of cybersecurity could deteriorate our competitive advantages, undermine the trade secret and contractual protections afforded to our confidential information and have material adverse effects on our business. Changes in U. S. or foreign patent law and practice could diminish the value of patents in general, thereby impairing our ability to protect our product candidates. As is the case with other companies in the markets in which we participate, our success is heavily dependent on intellectual property, particularly patents. The strength of patents in the pharmaceutical field involves complex legal and scientific questions and moreover in the United States and in many foreign jurisdictions patent policy, practice and case law continues to evolve and change and the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. This uncertainty includes changes to the patent laws through one or more of legislative action to change statutory patent law, rule changes and practice directions issued by National Patent Offices, or court action that may reinterpret, limit or expand on existing law in ways affecting the scope or validity of granted patents and what may be claimed in pending applications. Particularly in recent years in the United States, there have been several major legislative developments and court decisions that have affected patent laws and how they are applied in significant ways and there may be more developments in the future that may weaken or undermine our ability to obtain patents or to enforce our existing and future patents. ~~For example, a bill has been introduced in the United States that is intended to facilitate patent challenges at the PTO' s Patent Trial and Appeal Board and if enacted may lead to lower drug prices. This in turn may have a negative impact reducing both the value of patents and the commercial revenues that may be obtained from the development of new drugs and new compositions comprising known drugs.~~ Additionally, new guidelines are issued by the USPTO and by the FDA from time to time which can impact patent practice in the pharmaceutical industry in significant ways **. Similarly, changes in patent law and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we have licensed or that we may obtain in the future** . If we infringe or are alleged to infringe or otherwise violate intellectual property rights of third parties, our business could be harmed. Our research and development activities may infringe or otherwise violate or be claimed to infringe or otherwise violate patents owned or controlled by other parties. Competitors in the field of topical and oral drugs have developed and may continue to develop large portfolios of patents and patent applications relating to our business. In particular, there are patents and pending patent applications held by third parties that relate to new compounds that act as pan- BD BET inhibitors and also those that relate to BD2- selective BET inhibitors, as well as to methods of manufacture and methods of use for indications we are pursuing, or are considering to pursue with our ~~VYN201~~ **repibresib** and VYN202 product candidates. There may be granted

patents with claims that could be asserted against us in relation to such products or product candidates. There may also be granted patents held by third parties that may be infringed or otherwise violated by our other product candidates and activities, and we do not know whether or to what extent we may be infringing or otherwise violating third party patents. There may also be third party patent applications, some of which may not yet have been published, which if approved and granted as patents may be asserted against us in relation to our product candidates or activities. Patent applications can take years to issue and there may be applications that are pending and in the course of prosecution claims may change or be added and there may be patents and claims of which we are unaware that may later issue with claims that might be infringed by commercializing a product or product candidate. We may fail to identify applications and granted patents that may be asserted against us in relation to our product candidates or activities. Searches and analyses undertaken may miss or not uncover all potential and future threats. It should be noted in this regard that no search is completely exhaustive. For example, a relevant patent or published application could escape detection because of unusual terminology or use of terminology that is still evolving in developing technological fields. Also, databases used in the searches may not be entirely complete. These third parties could bring claims against us that would cause us to incur substantial expenses and, if successful against us, could cause us to pay substantial damages and legal fees. These third parties could include non- practicing entities that have no relevant products or revenue. Further, if a patent infringement suit were brought against us, we could be temporarily or permanently enjoined or otherwise forced to stop or delay research, development, manufacturing or sales of the product or product candidate that is the subject of the suit. As a result of patent infringement claims, or to avoid potential claims, we may choose or be required to seek licenses from third parties. These licenses may not be available on acceptable terms, or at all. Even if we are able to obtain a license, the license would likely obligate us to pay license fees or royalties or both and may limit us in other ways, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property, or such rights might be restrictive and limit our present and future activities. Ultimately, we or a licensee could be prevented from commercializing a product or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we are unable to enter into licenses on acceptable terms. There has been and there currently is substantial litigation and other proceedings regarding patent and other intellectual property rights in the pharmaceutical industry. Such litigation can be very expensive, and the cost burden of intellectual property litigation may impact on our other activities. In addition to possible infringement claims against us, we may become a party to other patent litigation and other proceedings, including interference, derivation, review, re- examination or other post- grant proceedings declared or granted by the USPTO and similar proceedings in foreign countries, regarding intellectual property rights with respect to our current or any future products. In some jurisdictions, third party observations or pre- grant oppositions may be filed, for example in Europe, India and Israel. A third party may initially sometimes choose to submit exploratory observations or oppositions in one or more foreign jurisdictions prior to commencing proceedings in the United States, where the costs could be higher. The cost and burden to us of any patent litigation or other proceeding, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. Patent litigation and other proceedings may also absorb significant management time. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings and their outcome could impair our ability to compete in the marketplace and impose a substantial financial burden on us, and may further have an adverse effect on our ability to raise funds to pursue research and development activities and clinical trials. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition or results of operations. Furthermore, several of our employees were previously employed at universities or other pharmaceutical companies, including potential competitors. While we take steps to prevent our employees from using the proprietary information or know- how of others that is not in the public domain or that has not already been independently developed by us earlier, we may be subject to claims that we or these employees have inadvertently or otherwise used or disclosed, confidential information, intellectual property, trade secrets or other proprietary information of any such employee' s former employer. Litigation may be necessary to defend against these claims and, even if we are successful in defending ourselves, could result in substantial costs to us or be distracting to our management. If we do not succeed with respect to any such claims, in addition to paying monetary damages and possible ongoing royalties, we may lose valuable intellectual property rights or personnel. Obtaining and maintaining our intellectual property protection, such as patent protection, depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental agencies, such as patent agencies, and our intellectual property protection, such as patent protection, could be reduced or eliminated for non- compliance with these requirements. The USPTO and various foreign patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions to maintain patent applications and issued patents. Noncompliance or late compliance with these requirements can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case. Similarly, compliance with relevant provisions is required to maintain trademark applications and registrations, while non- compliance can, likewise, result in loss of rights. In some circumstances, however, we may allow intellectual property rights to become abandoned, such as, where they are no longer considered of interest. We instruct foreign agents including translation agencies to prepare and file applications in multiple jurisdictions. If an agent omitted to file the patent application and where appropriate the translation timely in accordance with the national provisions or failed to translate the application accurately and or introduced errors into the translation we may suffer loss of rights and we may not discover this until after the filing deadline has passed. If we are unable to secure trademark registrations, secure appropriate domain names and protect our trademarks or trade dress from infringement, our business prospects may be harmed. We own trademarks that identify " VYNE " and " VYNE Therapeutics " and have submitted applications to register these trademarks in the United States and in various other jurisdictions. Similarly, we own trademarks that represent our leaf logo which can be and is used with the " VYNE " and " VYNE Therapeutics " trademarks and

our VYNE identity and have submitted applications to register these leaf trademarks in the United States and in some other jurisdictions. We have selected the trademark InhiBET for use in relation to our BET inhibitor programs and we have applied to register the trademark in Israel and the United States. We have not yet selected or submitted trademark applications for a proposed commercial trade name for any of our product candidates or activities in the United States or elsewhere and failure to do so and secure registrations could adversely affect our business. Applications for trademarks may be rejected during prosecution and we may be unable to overcome such proceedings or we may have to narrow or limit the scope of the applications or rely on a lower level of protection provided by common law unregistered trademark rights, if any. Opposition or cancellation proceedings may be filed against our trademarks, which may not survive such proceedings or we may have to narrow or limit their scope. In the United States, the FDA evaluates and must approve any trademark we propose to use with products for which we seek regulatory approval regardless of whether we have registered it, or applied to register it, as a trademark. The FDA review will include an evaluation of potential for confusion with other product names. Selecting a product trademark can be an expensive process. If the FDA objects to proposed trademarks this could delay regulatory approval and we may be required to expend significant resources in an effort to identify suitable substitutes that would qualify as a registerable trademark, not infringe any existing third party trademark rights and be acceptable to the FDA. Although we take steps to monitor the possible infringement or misuse of our trademarks, it is possible that third parties may infringe, dilute or otherwise violate our trademark rights. Any unauthorized use of our trademarks could harm our reputation or commercial interests. In addition, our enforcement against third party infringers or violators may be unduly expensive and time- consuming, and the outcome may be an inadequate remedy. Additionally, we have rights in certain domain names associated with our business. If others seek to use domain names closely similar and we are not successful in asserting and protecting our rights it could adversely affect our business. We may become involved in lawsuits to protect or enforce our patents or other intellectual property or the patents of our licensors, which could be expensive and time- consuming. Competitors may infringe our intellectual property, including our patents or the patents of our licensors. As a result, we may be required to file infringement claims to stop third party infringement or unauthorized use. This can be expensive and burdensome, particularly for a company of our size, as well as time- consuming. In addition, in an infringement proceeding, a court may decide that a patent or certain patent claims of ours are not valid, or are unenforceable, or may refuse to stop the other party or parties from using the technology or method at issue on the grounds that our patent claims do not cover its or their technology or method or that the factors necessary to grant an injunction against an infringer are not satisfied. An adverse determination of any litigation or other proceedings could put one or more of our patents at risk of being invalidated or interpreted narrowly and could put our patent applications at risk of not issuing. Interference, derivation review, or other proceedings brought at the USPTO may be necessary to determine the priority or patentability of inventions with respect to our patent applications or those of our licensors or licensees. Litigation or USPTO proceedings brought by us may fail or may be invoked against us by third parties. Even if we are successful in any proceedings (domestic or foreign, litigation or USPTO or foreign patent office or other proceedings) they may result in substantial costs and distraction to our management. Moreover, proceedings may be appealed and obtaining a final resolution can take a long time and substantial resources. We may not be able, alone or with our licensors or licensees, to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the United States. Furthermore, because of the substantial amount and extent of discovery required in connection with intellectual property litigation or other proceedings, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation or proceedings. In addition, during the course of this kind of litigation or proceedings, there could be public announcements of the results of hearings, motions or other interim proceedings or developments or public access to related documents. If investors perceive these results to be negative, the market price for our common stock could be significantly harmed and this may be so even if the results are not considered material. We may not obtain intellectual property rights or otherwise be able to protect our intellectual property rights throughout the world. Filing, prosecuting and defending patents on product candidates in all or most countries throughout the world would be prohibitively expensive. We primarily file patent applications in the United States and may file in some other selected jurisdictions on a case- by- case basis. In general, we may on a case- by- case basis file national applications more narrowly in respect of patent applications directed to compositions of matter and methods of treatment than for those concerning new chemical entities. As a result, our intellectual property rights in countries outside the United States are generally significantly less extensive than those in the United States. In addition, the laws of some foreign countries and jurisdictions, particularly of certain developing countries and jurisdictions, do not protect intellectual property rights to the same extent as federal and state laws in the United States, and these countries and jurisdictions may limit the scope of what can be claimed, and in some cases may even force us to grant a compulsory license to competitors or other third parties. Consequently, we may not be able to prevent third parties from practicing our inventions outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may seek to exploit our technologies in jurisdictions where we have a patent application filed, for example, as it has not been allowed or if allowed where they intend to challenge one or more granted claims. Competitors may use our technologies in jurisdictions where we have not sought or obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but protection and enforcement is not as strong or effective as that in the United States. These products may compete with our product candidates, if approved, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Moreover, competitors or others may raise legal challenges to our intellectual property rights or may infringe upon our intellectual property rights, including through means that may be difficult to prevent or detect. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. In some foreign jurisdictions the patent system, for example, may not allow certain types of claims that are acceptable in the United States or may only accept claims of a narrower scope. The legal systems of certain countries, particularly certain developing countries, do

not favor the enforcement of patents and other intellectual property protection, especially those relating to pharmaceuticals and methods of treatment, which could make it difficult for us to stop the infringement of our patents or of other intellectual property protection, misappropriation of intellectual property rights, or marketing of competing products in violation of our proprietary rights generally. For example, some foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, some countries limit the enforceability of patents against third parties, including government agencies or government contractors. In such countries, patents may provide limited or no benefit. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims or issue proceedings against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Further, third parties may prevail in their claims against us, which could potentially result in the award of injunctions or substantial damages against us. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. In addition, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in domestic and foreign intellectual property laws and practice. We may not be able to enforce covenants not to compete under applicable employment laws. We generally enter into non- competition agreements as part of our employment agreements with our employees. These agreements generally prohibit our employees, if they cease working for us, from competing directly with us or working for our competitors or clients for a limited period. We may be unable to enforce these agreements under the laws of the jurisdictions in which our employees work and it may be difficult for us to restrict our competitors from benefiting from the expertise our former employees or consultants developed while working for us. Risks Related to the Ownership of Our Common Stock Our stock price is volatile. The stock market in general, and the market for biopharmaceutical companies in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. For example, our stock price, and the stock price of many other public companies, experienced a period of high volatility in recent years. Such volatility resulted in rapid and substantial increases and decreases in our stock price that may or may not be related to our operating performance or prospects. As a result of this volatility, stockholders may not be able to sell their common stock at or above the price paid for the shares. In addition, in the past, stockholders have initiated class action lawsuits against pharmaceutical and biotechnology companies, including us, following periods of volatility in the market prices of these companies' common stock. If we are subject to future lawsuits we would be subject to additional risks as described in " We may become subject to lawsuits **or investigations** that could have a material adverse impact on our business, results of operations and financial condition " above. The market price for our common stock may be influenced by many factors, including: • our ability to successfully develop our product candidates; • announcement of technological innovations or new products by us; • development of technological innovations or new competitive products by others; • announcement of clinical trial results or any other clinical data results we announce; • the commencement or enrollment of our ongoing clinical trials or any future clinical trials we may conduct, or changes in the development status of our product candidates; • announcements of clinical trials results by competitors; • adverse results from, delays in or termination of clinical trials; • any delay in our regulatory filings and any adverse development or perceived adverse development with respect to the applicable regulatory authority' s review of such filings, including without limitation the FDA' s issuance of a " refusal to file " letter or a request for additional information; • adverse regulatory decisions, including failure to receive regulatory approval of product candidates; • failure to achieve a publicly announced milestone; • unanticipated serious safety concerns; • changes in financial estimates by us or by any securities analysts who might cover our stock; • future capital raising transactions; • conditions or trends in our industry; • changes in the market valuations of similar companies; • stock market price and volume fluctuations of comparable companies and, in particular, those that operate in the biopharmaceutical industry; • publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts; • announcements by us or our competitors of significant acquisitions, strategic partnerships or divestitures; • announcements of investigations or regulatory scrutiny of our operations or lawsuits filed against us; • investors' general perception of our company and our business; • recruitment or departure of key personnel; • overall performance of the equity markets; • trading volume of our common stock; • disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies; • significant lawsuits, including patent or stockholder litigation; • the loss of or failure to obtain material intellectual property rights; • our sale or proposed sale, or the sale by our significant stockholders, of our common stock or other securities in the future; • general political and economic conditions; • the sentiment of the retail investor community; and • other events or factors, many of which are beyond our control. Consequently, the current market price of our common stock may not be indicative of future market prices, and we may be unable to sustain or increase the value of an investment in our common stock. Provisions in our corporate charter documents and under Delaware law may prevent or frustrate attempts by our stockholders to change our management and hinder efforts to acquire a controlling interest in us, and the market price of our common stock may be lower as a result. Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could delay or prevent changes in control or changes in our management without the consent of our board of directors. These provisions include the following: • 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 being able to fill 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 price and other 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 at least 66 2 / 3 % of the shares entitled to vote at an election of directors to adopt, amend or repeal our bylaws or repeal the provisions of our amended and 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 chief executive officer or 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 acquiror from conducting a solicitation of proxies to elect the acquiror' s own slate of directors or otherwise attempting to obtain control of us. In addition, these provisions would apply even if we were to receive an offer that some stockholders may consider beneficial. We are also subject to the anti- takeover provisions contained in Section 203 of the Delaware General Corporation Law. Under Section 203, a corporation may not, in general, engage in a business combination with any holder of 15 % or more of its capital stock unless the holder has held the stock for three years or, among other exceptions, the board of directors has approved the transaction. Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third- party claims against us and may reduce the amount of money available to us. Our directors and executive officers may be subject to litigation for a variety of claims or disputes. Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that: • We indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person' s conduct was unlawful. • We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law. • We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification. • We will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification. • The rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons. • We may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents. While we maintain directors' and officers' liability insurance, such insurance may not be adequate to cover all liabilities that we may incur, which may reduce our available funds to satisfy third- party claims and could harm our business, results of operations, and financial condition. Further, a stockholder' s investment may be harmed to the extent that we pay the costs of settlement and damage awards against our directors and executive officers as required by these indemnification provisions. Our amended and restated certificate of incorporation and our amended and restated bylaws contain exclusive forum selection clauses, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, any action to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine. In addition, our amended and restated bylaws provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States is the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, against us, our officers, directors, employees or underwriters. These choice of forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation or our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition. We are eligible to report as a " smaller reporting company, " and as a result of the reduced reporting requirements applicable to such companies, our securities may be less attractive to investors. We are eligible to report as a smaller reporting company. For as long as we continue to be eligible to report as a " smaller reporting company, " we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not " smaller reporting companies, " including not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting, as well as reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements. We may take advantage of these reporting exemptions until we are no longer a smaller reporting company. We will remain a smaller reporting company until the last day of any fiscal year for so long as either (1) the market value of our shares of common stock held by non- affiliates does not equal or exceed $ 250. 0 million as of the prior June 30th, or (2) our annual revenues did not equal or exceed $ 100. 0 million during such completed fiscal year and the market value of

our shares of common stock held by non- affiliates did not equal or exceed $ 700. 0 million as of the prior June 30th. We cannot predict if investors will find our common stock less attractive because we will rely on these exemptions. If some investors find our securities less attractive because we rely on any of these exemptions, there may be a less active trading market for our securities and the price of our securities may be more volatile. General Risk Factors An active public market for our common stock may not be sustained. Although our common stock is quoted on the Nasdaq Capital Market, an active trading market for our common stock may not be sustained. The lack of an active market may impair the ability of holders of our common stock to sell their shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value of our common stock, and may cause the trading price of our common stock to be more volatile. The lack of an active market may contribute to volatility of our stock price and impair our ability to raise capital. If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about us, our business or our market, our stock price and trading volume could decline. The trading market for our common stock may be influenced by the research and reports that equity research analysts publish about us and our business. We do not have any control over the analysts, or the content and opinions included in their reports. The price of our stock could decline if one or more equity research analysts downgrade our stock or issue other unfavorable commentary or research. If one or more equity research analysts cease coverage of our company or fail to publish reports on us regularly, demand for our stock could decrease, which in turn could cause our stock price or trading volume to decline. If our operating results fail to meet the forecast of analysts, our stock price will likely decline. Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause our stock price to fall. Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that our directors, officers or holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. Moreover, certain holders of shares of our common stock have rights, subject to certain conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We have registered and intend to continue to register all shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates. We do not currently intend to pay dividends on our common stock, and, consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our common stock. We do not currently intend to pay any cash dividends on our common stock for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth. Therefore, stockholders are not likely to receive any dividends on their common stock for the foreseeable future. Since we do not intend to pay dividends, stockholders' ability to receive a return on their investment will depend on any future appreciation in the market value of our common stock. Our common stock may not appreciate or even maintain the price at which our holders have purchased it. If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired. We are subject to the reporting requirements of the Exchange Act, the Sarbanes- Oxley Act and the rules and regulations of the Nasdaq Stock Market (" Nasdaq"). The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We must perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting in our Form 10- K filing each year, as required by Section 404 of the Sarbanes- Oxley Act. This requires that we incur substantial additional professional fees and internal costs within our accounting and finance functions and that we expend significant management efforts. We may identify weaknesses in our system of internal financial and accounting controls and procedures that could result in a material misstatement of our financial statements. Our internal control over financial reporting will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system' s objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. If we are not able to comply with the requirements of Section 404 of the Sarbanes- Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the market price of our stock could decline, and we could be subject to sanctions or investigations by the stock exchange on which our common stock is listed, the SEC, or other regulatory authorities. We incur significant costs and demands upon management as a result of being a public company. As a public company listed in the United States, we incur significant additional legal, accounting and other costs, as compared to the costs we incurred as a private company. These additional costs could negatively affect our financial results. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and Nasdaq, may increase legal and financial compliance costs and make some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. We may experience significantly increased general and administrative expenses and a diversion of management' s time and attention from our primary business operations if we are required to invest significant resources to comply with new and evolving laws, regulations and standards. If notwithstanding our efforts to comply with new laws, regulations and standards, we fail to comply, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Failure to comply with these rules might also make it more difficult for us to obtain some types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors or as members of senior management. We are subject to risks related to climate change in the long term. We are subject to transitional and physical risks related to climate change.

Transitional risks include, for example, a disorderly global transition away from fossil fuels that may result in increased energy prices; customer preference for low or no- carbon products; stakeholder pressure to decarbonize assets; or new legal or regulatory requirements that result in new or expanded carbon pricing, taxes, restrictions on greenhouse gas emissions, and increased greenhouse gas disclosure and transparency. These risks could increase operating costs, including the cost of our electricity and energy use, or other compliance costs. Physical risks to our operations include water stress and drought; flooding and storm surge; wildfires; extreme temperatures and storms, which could impact trials, increase costs, or disrupt supply chains. Our supply chain is likely subject to these same transitional and physical risks and would likely pass along any increased costs to us. We do not anticipate that these risks will have a material financial impact to the company in the near term. Governmental authorities, non- governmental organizations, customers, investors, employees, and other stakeholders are increasingly sensitive to environmental, social and governance (ESG) matters, such as equitable access to medicines and vaccines, product quality and safety, diversity, equity and inclusion, environmental stewardship, support for local communities, value chain environmental and social due diligence, corporate governance and transparency, and addressing human capital factors in our operations. In addition, governments and the public expect companies to report on our business practices with respect to human rights, responsible sourcing and environmental impact, as well as the actions of our third- party contractors and suppliers around the world. This focus on ESG matters may lead to new expectations or requirements that could result in increased costs associated with research and development of our products. Our ability to compete could also be affected by changing customer preferences and requirements, such as growing demand for companies to establish validated Net Zero emissions targets or offer more sustainable products. If we do not meet, or are perceived not to meet, stakeholder expectations in key ESG areas, we risk negative stakeholder reaction, including from proxy advisory services, as well as damage to our brand and reputation, or other negative impacts on our business and operations. While we monitor ESG matters, we cannot be certain that we will manage such matters successfully, or that we will successfully meet the expectations of investors, employees, consumers, governments and other stakeholders. ITEM 1B- UNRESOLVED STAFF COMMENTS None. ITEM 1C- CYBERSECURITY Risk Management and Strategy We have implemented and maintain various information security processes designed to identify, assess and manage material risks from cybersecurity threats to our critical computer networks, third party hosted services, communications systems, hardware and software, and our critical data, including intellectual property and confidential information that is proprietary, strategic or competitive in nature (“ Information Systems and Data ”). We retain a chief information consultant and a third- party security management vendor to help identify, assess and manage our cybersecurity threats and risks. These partners identify and assess risks from cybersecurity threats by monitoring and evaluating our threat environment using various methods, including, for example, automated tools, cybersecurity threat subscription services, threat report analysis, internal and external audits, and threat and vulnerability assessments. Depending on the environment, we implement and maintain various technical, physical, and organizational measures, processes, standards and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example, incident detection and response policy, route risk assessments, data encryption, network security controls, data segregation, access controls, physical security, asset management, tracking and disposal, systems monitoring, penetration testing, and cybersecurity insurance. Our assessment and management of material risks from cybersecurity threats are integrated into our overall risk management processes. For example, our security management partners work with our Chief Financial Officer to prioritize our risk management processes and mitigate cybersecurity threats that are more likely to lead to a material impact to our business. In addition, our Chief Financial Officer evaluates material risks from cybersecurity threats against our overall business objectives and reports to the audit committee of the board of directors, which evaluates our overall enterprise risk. We use third- party service providers to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats, including for example, professional services firms, cybersecurity software providers and penetration testing firms. These third- parties also provide application and hosting services. We have a vendor management program to manage cybersecurity risks associated with our use of these providers. The program includes risk assessments and audits for each vendor and a review of each such vendor' s written security program. For a description of the risks from cybersecurity threats that may materially affect us and how they may do so, see our risk factors under Part ~~I~~**I** . Item 1A. Risk Factors in this Annual Report on Form 10- K, including" If our information technology systems or those third parties upon which we rely or our data, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions, litigation, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits and other adverse consequences. ” Governance Our Board addresses our cybersecurity risk management as part of its general oversight function. The Audit Committee is responsible for overseeing our cybersecurity risk management processes, including oversight and mitigation of risks from cybersecurity threats. Our cybersecurity risk assessment and management processes are implemented and maintained by our Chief Financial Officer who oversees the work performed by our information security consultant and third- party managed service provider. Our information security consultant has over 40 years of experience in pharmaceutical information technology, including many years as a chief information officer. Our Chief Financial Officer is responsible for hiring appropriate personnel, helping to integrate cybersecurity risk considerations into our overall risk management strategy, and communicating key priorities to relevant personnel. Our Chief Financial Officer, with support from our information security partners, is responsible for approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security- related reports. Our cybersecurity incident response policy is designed to escalate certain cybersecurity incidents to members of management depending on the circumstances, including the Chief Financial Officer and legal department. Our Chief Financial Officer works with our incident response team to help mitigate and remediate cybersecurity incidents of which they are notified. In addition, our incident response policy includes reporting to the Audit Committee for certain cybersecurity incidents. The Audit Committee receives periodic reports from our Chief Financial Officer concerning our significant cybersecurity threats and risk

and the processes we have implemented to address them. The Audit Committee also receives various reports, summaries or presentations related to cybersecurity threats, risk and mitigation. ITEM 2- PROPERTIES Our executive offices in the United States are located in Bridgewater, New Jersey. We currently lease approximately 5, 755 square feet of office space under lease agreements that expire on September 30, 2025. We believe that our current facilities are adequate to meet our current needs, and that suitable additional alternative space will be available in the future on commercially reasonable terms for our potential growth. ITEM 3- LEGAL PROCEEDINGS From time to time, we may become involved in litigation or other legal proceedings relating to claims that we consider to be arising from the ordinary course of our business. There are currently no claims or actions pending against us that, in the opinion of our management, are likely to have a material adverse effect on our business. ITEM 4- MINE SAFETY DISCLOSURES Not applicable. PART II ITEM 5- MARKET FOR REGISTRANT' S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES Our common stock is listed on the Nasdaq Capital Market under the symbol " VYNE. " On February 8, 2023, our board of directors approved, and on February 10, 2023 we effected, a 1- for- 18 reverse stock split of our outstanding shares of common stock. No fractional shares were issued in connection with the reverse stock split, and in lieu thereof, each stockholder holding fractional shares was entitled to receive a cash payment (without interest or deduction) in an amount equal to such stockholder' s respective pro rata share of the total net proceeds from our transfer agent' s sale of all fractional shares at the then- prevailing prices on the open market. The par value of each share of common stock remained unchanged. A proportionate adjustment was also made to the maximum number of shares issuable under our equity incentive plans. Unless noted, all references to shares of common stock and per share amounts contained in this Annual Report on Form 10- K have been retroactively adjusted to reflect the 1- for- 18 reverse stock split. Holders of Common Stock As of February ~~22~~ **4** , ~~2024~~ **2025** , there were ~~9~~ **8** holders of record of our common stock. This number does not include beneficial owners whose shares are held by nominees in street name. Dividend Policy We have never declared or paid, and do not anticipate declaring or paying, in the foreseeable future, any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings to support our operations and finance the growth and development of our business. Any future determination related to our dividend policy will be made at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, capital requirements, contractual restrictions, business prospects and other factors our board of directors may deem relevant. Recent Sales of Unregistered Securities ~~In December 2023, we issued an aggregate of 131, 838 shares of common stock to pre- funded warrant holders upon the exercise of outstanding pre- funded warrants, pursuant to a net exercise mechanism under the warrants. Each pre- funded warrant had an exercise price of $ 0. 0001 per share. The issuances of the shares of common stock were exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3 (a) (9) thereof as an exchange with an existing security holder where no commission or other remuneration is paid or given for soliciting such exchange.~~ ITEM 6- [RESERVED] ITEM 7- MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the financial statements and the notes thereto included elsewhere in this Annual Report on Form 10- K. The following discussion contains forward- looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward- looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Annual Report on Form 10- K, particularly in the section entitled " Item 1A. Risk Factors ". Company Overview ~~In August 2021, we entered into a transaction with Tay providing us with exclusive worldwide rights to research, develop and commercialize products containing BET inhibitors for the treatment of any disease, disorder or condition in humans. Through our access to this library of new chemical BET inhibitor compounds, we plan to develop product candidates for a diverse set of indications. Based on data generated to date, we have chosen to focus our initial efforts for this platform on select therapeutic areas in immuno- inflammatory disease.~~ Our lead program is **repibresib gel (also known as** VYN201 **)** , a ~~locally~~ **topically** administered **, small molecule** pan- BD BET inhibitor designed as a " soft " drug to address diseases involving multiple, diverse inflammatory cell signaling pathways while providing low systemic exposure. In preclinical testing, ~~VYN201~~ **repibresib** produced consistent reductions in pro- inflammatory and disease- related biomarkers and improvements in disease severity across a variety of inflammatory and fibrotic **preclinical** models. In November 2022, we initiated a Phase 1 clinical trial evaluating a topical formulation of ~~VYN201 for~~ **repibresib first in healthy volunteers (Phase 1a) and** ~~the~~ **then** ~~treatment of~~ **in subjects (Phase 1b) with** nonsegmental vitiligo **(NSV), an immune- mediated condition that has a high unmet need and only one approved therapy** . In the first quarter of 2023, we announced positive preliminary safety and tolerability, **including** ~~pharmacokinetic and~~ hematology data **, and predicted pharmacokinetic results (minimal systemic exposures)** from the Phase 1a portion of the trial. **We initiated** ~~The first nonsegmental vitiligo patient was dosed in~~ the Phase 1b portion of the trial in **NSV subjects in** January 2023 ~~,~~ and ~~on October 30, 2023, we~~ announced positive data from the Phase 1b trial ~~,~~ in ~~which~~ **October 2023. We showed** significant clinical ~~improvement~~ **improvements** in **vitiligo involving** ~~F- VASI was observed in~~ the ~~1 % and 2 % dose cohorts~~ **face, which has the greatest psychosocial impact on patients,** after 16 weeks of treatment **which was assessed using the Facial- Vitiligo Area Scoring Index (" F- VASI"), a measure of severity of the condition on the face** . We ~~have~~ initiated ~~Phase 2b preparatory activities and expect to advance VYN201 into~~ a ~~longer duration~~ Phase 2b trial ~~to~~ **with repibresib gel in NSV subjects in June 2024. The Phase 2b trial is a randomized, double- blind, vehicle- controlled trial** ~~evaluate~~ **evaluating the** ~~optimal dosing and peak~~ efficacy **, safety and pharmacokinetics of once- daily repibresib gel** in **NSV subjects in three dose cohorts (1 %, 2 % or 3 % concentrations) compared to vehicle over 24 weeks, followed by a 28- week active treatment extension with subjects on vehicle crossing over to active doses. We enrolled approximately 45** patients ~~with active or stable nonsegmental vitiligo~~ in ~~the second quarter of 2024 with~~ **each arm and expect to report** top **-** line results from the 24- week double- blind portion of the trial ~~anticipated~~ in mid- 2025. **have** ~~Our second program is VYN202, an oral small molecule BD2- selective BET inhibitor. VYN202 has been designed to achieve potential class- leading selectivity (BD2 vs.~~

~~BD1), maximum potency versus BD2 and optimal oral bioavailability. By maximizing BD2 selectivity, we believe VYN202 has the potential to be a more conveniently- administered non- biologic treatment option for both acute control and chronic management of immuno- inflammatory indications, where the damaging effects of unrestricted inflammatory signaling activity are common. We submitted an IND for VYN202 to the FDA in December 2023. We recently received correspondence from the FDA informing us that our Phase 1a clinical trial is on hold and requesting that we submit data from an additional nonclinical study. We recently~~ completed **a** ~~the additional nonclinical study which achieved preliminary results consistent with our expectations at the outset of the study. We plan to submit the requested nonclinical information to the FDA by the end of the first quarter of 2024 and, if cleared by the FDA, expect to initiate our~~ Phase 1a single ascending dose / multiple ascending dose **(" SAD / MAD")** trial **of VYN202** in healthy volunteers **and announced positive data from this trial** in **December** ~~the second quarter of~~ 2024 ~~,~~**. We observed that VYN202 had a favorable safety and tolerability profile** with **no drug- related adverse events historically associated with earlier generation, less BD2- selective BET inhibitors. VYN202 also demonstrated robust pharmacodynamic activity including evidence of target engagement and inhibition of several inflammatory biomarkers relevant** ~~top-~~ **to** ~~line results anticipated~~ **immune- mediated disorders** in **ex vivo stimulation assays** ~~the second half of 2024~~. **We** ~~If the Phase 1a portion of the trial is successfully completed, we plan to initiate~~ **initiated a** Phase 1b ~~trials-~~ **trial** in **February 2025 in adult** subjects with moderate- to- severe plaque psoriasis **. The Phase 1b trial is a randomized, double- blind, placebo- controlled trial of once daily treatment with VYN202 capsules dosed for 12 weeks, to primarily evaluate the safety of VYN202 across four cohorts (0. 25 mg, 0. 5 mg, 1 mg doses** and **placebo), with secondary objectives that include pharmacokinetics and preliminary evidence of efficacy via endpoints evaluating improvements from baseline in PASI scores. The trial will also include a 4- week safety follow- up visit after completion of the 12- week dosing period. We expect to enroll approximately 80 subjects with** moderate- to- severe **plaque psoriasis and to report** ~~adult- onset rheumatoid arthritis, with~~ top **-** line results **from** ~~anticipated in~~ the ~~second half~~ **placebo- controlled trial by the end** of 2025 **. Additionally, we anticipate that the data from the Phase 1b trial in plaque psoriasis subjects will provide key insights into VYN202' s potential activity across a range of immune- mediated diseases** . Sale of Legacy Commercial Business In January 2022, we entered into an Asset Purchase Agreement with Journey Medical Corporation (" Journey") pursuant to which we sold our Molecule Stabilizing Technology franchise, including our former products AMZEEQ, ZILXI, and FCD105, referred to collectively as the MST Franchise, to Journey. The assets included certain contracts, including license agreements, inventory and intellectual property related to the MST Franchise. We have classified the results of the MST Franchise as discontinued operations in our consolidated statements of operations and **comprehensive loss and** cash flows for all periods presented in this Annual Report on Form 10- K. We received an upfront payment of $ 20. 0 million at the closing of the sale of the MST franchise and an additional $ 5. 0 million deferred payment in January 2023. We are also eligible to receive sales milestone payments of up to $ 450. 0 million in the aggregate upon the achievement of specified levels of net sales on a product- by- product basis, beginning with annual net sales exceeding $ 100. 0 million, as well as certain payments from any licensing or sublicensing of the purchased assets by Journey outside of the United States. Known Trends, Events and Uncertainties Business and Macroeconomic Conditions Uncertainty in the global economy presents significant risks to our business. We are subject to continuing risks and uncertainties in connection with the current macroeconomic environment, including inflation, interest rates, financial market volatility and uncertainty, the impact of war or military conflict, including the wars in Ukraine and the Middle East, rising tensions between China and Taiwan and the response thereto, public health pandemics, and supply chain disruptions. Adverse effects of these large macroeconomic conditions have been prevalent in many of the areas where we, our CROs, suppliers or third- party business partners conduct business and as a result, we have experienced disruptions and may continue to experience more pronounced disruptions in our operations. In addition, financial markets have experienced a period of high volatility due to these macroeconomic factors. The persistence of this volatility may impact our ability to engage in capital market activities and adequately fund our operations. As of the filing date of this Annual Report on Form 10- K, the extent to which these macroeconomic events and conditions may impact our financial condition, results of operations or liquidity is uncertain. The effect of these macroeconomic events and conditions may not be fully reflected in our results of operations and overall financial performance until future periods. See **“** Part I ~~,~~ — Item 1A ~~“~~**.** Risk Factors ” for further discussion of the possible impact of these macroeconomic conditions on our business. Agreements with Tay Therapeutics **Under the terms of** ~~In April 2021, we entered into~~ the Option Agreement **, our option (the" Oral Option")** with **respect** ~~Tay granting us an exclusive option~~ to ~~obtain certain exclusive worldwide rights to research, develop and commercialize products containing Tay' s BET inhibitor compounds for~~ the ~~treatment of any disease, disorder or condition in humans. Pursuant to the Option Agreement, we agreed to use commercially reasonable efforts to stabilize, develop and manufacture a product with a pan- BD BET inhibitor as its active ingredient and Tay agreed to provide a mutually agreed data package and select an NCE development candidate from its~~ Oral BETi Compounds ~~. We paid a $ 1. 0 million non- refundable cash payment to Tay upon execution of the Option Agreement, 50 % of which was to be used by Tay in the development of the Oral BETi Compounds. Under the terms of the Option Agreement, the Oral Option~~ was to expire on June 30, 2022 ~~(the" Option Term")~~, but in June 2022, we and Tay entered into a ~~Letter~~ **letter** ~~Agreement~~ **agreement** ~~(the “ Letter Agreement ”)~~ to extend the ~~Option~~ **option** ~~Term~~ **term** to February 28, 2023. **In February 2023** ~~Pursuant to the terms of the Letter Agreement~~, we ~~paid~~ **and** Tay ~~$ 386, 366 (£ 300, 000) on June 28, 2022 to extend the Option Term. In addition, on August 29, 2022, we made a second payment to Tay of $ 997, 407 (£ 850, 000) pursuant to the terms of the Letter Agreement following the discovery of potential Oral BETi Compounds for further development. Both payments were recorded as research and development expense. On February 27, 2023, the parties~~ entered into an additional ~~Letter~~ **letter agreement pursuant to which the option term was further extended to April 30, 2023. We exercised the Oral Option for VYN202 on April 28, 2023. Pursuant to the Repibresib License** Agreement **, we were granted a sublicense under certain intellectual property which was licensed to Tay by the University of Dundee** (**“ Dundee ”** ~~the" Second Letter Agreement"~~) pursuant to **a certain license agreement**

between ~~which the Option Term was extended to April 30, 2023. As consideration for the extension of the Option Term, we paid~~ Tay **and Dundee effective** ~~$ 250, 000 upon the execution of the Second Letter Agreement. Per the terms of the Second Letter Agreement, this fee was~~ **as** ~~to be deducted from~~ **of July 24, 2020 and amended and restated on October 8, 2021 (** the ~~upfront fee paid by us to~~ **" Head License "). On February 13, 2025,** Tay ~~following our exercise of the Oral Option, as described below. In August 2021, we exercised our option with respect to the VYN201 program~~ and **Dundee** entered into **an agreement for** the ~~VYN201~~ **termination of the Head License and assignment of such intellectual property from Dundee to Tay. Upon termination of the Head License, the Repibresib** License Agreement ~~granting us a worldwide, exclusive license that~~ **was accordingly amended to reflect the assignment of the intellectual property to Tay upon** ~~is~~ **its payment in full** ~~sublicensable through multiple tiers~~ to ~~exploit certain~~ **Dundee. The amendment does not change any** of Tay' s ~~pan- BD BET inhibitor compounds in all fields. We have the sole responsibility for~~ **or VYNE' s rights** ~~development, regulatory, marketing and commercialization activities to be conducted for~~ **or obligations under** the **Repibresib** ~~licensed products at our sole cost and discretion. We are required to use commercially reasonable efforts to develop and, if approved, commercialize such products. Pursuant to the VYN201~~ License Agreement, **except** ~~a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products. Pursuant to the VYN201 License Agreement, we may develop a product~~ that ~~contains or incorporates a specific BET inhibitor, whether alone or in combination with other active ingredients, in~~ any **obligations owed by VYNE to Dundee** ~~form, formulation, presentation, or dosage, and for any mode of administration. On April 28, 2023, we exercised the Oral Option~~ with respect to **repibresib are now owed to** ~~the VYN202 program and entered into the VYN202 License Agreement with~~ Tay ~~granting us a worldwide, exclusive license that is sublicensable through multiple tiers to exploit certain of Tay' s Oral BETi Compounds in all fields. We have the sole responsibility for development, regulatory, marketing and commercialization activities to be conducted for the licensed products at our sole cost and discretion, and shall use commercially reasonable efforts to develop and, if approved, commercialize such products. We may sublicense our rights to a third party without Tay' s consent. Pursuant to the VYN202 License Agreement, a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products~~ . We made a cash payment of $ 3. 75 million ~~, after deducting the $ 250, 000 fee paid to extend the Option Term in February 2023,~~ to Tay in connection with entering into the VYN202 License Agreement ~~. This payment was recorded as a research and development expense in the period paid~~ . Pursuant to the terms of the VYN202 License Agreement, we agreed to make cash payments to Tay of up to $ 43. 75 million upon the achievement of specified clinical development and regulatory approval milestones with respect to each licensed oral product in the United States for all indications **, of which $ 1. 3 million has been paid or accrued through December 31, 2024** . Tay is entitled to additional milestone payments upon the achievement of regulatory approvals in certain non- U. S. jurisdictions. In addition, ~~with respect to any products~~ **Components of Results of Operations Segment Results As of December 31, 2024,** we **adopted ASU 2023- 07** ~~commercialize under the VYN202 License Agreement~~ , **Segment Reporting** ~~we will pay tiered royalties to Tay on net sales of such licensed products by us, our affiliates, or sublicensees, of 5 %, 7. 5 % and 10 % based on tiered annual net sales bands subject to specified reductions. We are obligated to pay royalties until the latest of~~ (~~1~~ **Topic 280**) **to improve reportable segment disclosure requirements** ~~the tenth anniversary of the first commercial sale of the relevant licensed product~~ , **primarily through enhanced disclosures about significant segment expenses. The Company has identified** ~~(2) the expiration of the last valid claim of the licensed patent rights covering such licensed product in such country~~ and ~~(3) the expiration of regulatory exclusivity~~ **reports as one operating segment. See" Note 15 — Segment Information"** for **further details** ~~the relevant licensed product in the relevant country, on a licensed product- by- licensed product and country- by- country basis~~ . ~~Components of Results of Operations~~ Revenues Historically, we have generated revenues under development and license agreements, including royalty payments from sales of Finacea foam. We previously licensed the rights to Finacea to LEO Pharma A / S (" LEO Pharma"). This license was not part of the sale of our commercial business to Journey. Royalty revenues for the years ended December 31, **2024 and** 2023 ~~and 2022~~ were $ 0. ~~4~~ **5** million and $ 0. ~~5~~ **4** million, respectively, from LEO Pharma in connection with sales of Finacea. Operating Expenses Research and development expenses Our research and development expenses relate primarily to the development of ~~VYN201~~ **repibresib** and VYN202 ~~, as well as FMX114, a product candidate which we are no longer actively developing~~ . We charge all research and development expenses to operations as they are incurred. Our total research and development expenses for the years ended December 31, **2024 and** 2023 ~~and 2022~~ were $ **30. 9 million and $** 16. 3 ~~million and $ 18. 4~~ million, respectively. Research and development expenses consist primarily of: • employee- related expenses, including salaries, benefits and related expenses, including share- based compensation expenses, for research and development personnel; • expenses incurred under agreements with third parties, including **CROs,** subcontractors, suppliers and consultants that conduct regulatory activities, clinical trials and preclinical studies; • expenses incurred to acquire, develop and manufacture clinical trial materials; • ~~facilities, depreciation and other~~ expenses ~~, which include direct~~ and **milestone payments incurred under licensing agreements** ~~allocated expenses for rent and maintenance of facilities, insurance, and other operating costs~~ ; • costs associated with the creation, development and protection of intellectual property; **and** • other costs associated with preclinical and clinical activities and regulatory operations ~~; and • materials and manufacturing costs related to commercial production prior to FDA approval~~ . General and administrative expenses Our general and administrative expenses for the years ended December 31, **2024 and** 2023 ~~and 2022~~ were $ 13. ~~4~~ **2** million and $ ~~16~~ **13** . 4 million, respectively. Our general and administrative expenses consist principally of: • employee- related expenses, including salaries, benefits and related expenses, including share- based compensation expenses; • ~~legal and~~ professional fees for ~~auditors~~ **legal, auditing, tax** and other consulting expenses; and • facility, **insurance,** information technology **, travel,** and depreciation expenses. Other Income, net Other income, net primarily consists of interest earned on our cash ~~and~~ **,** cash equivalents and marketable securities ~~as well as foreign exchange rate gains and losses~~ . Income Taxes and Net Operating Loss Carryforwards We have incurred significant net operating losses (" NOLs ") since our inception. We expect to continue to incur NOLs until such a time when we generate adequate revenues for us to reach

profitability. As of December 31, ~~2023~~ **2024**, we had federal and state net operating loss carryforwards of $ ~~331~~ **343**. ~~1~~ **4** million and $ ~~41~~ **53**. ~~7~~ **6** million, respectively, of which $ 44. 3 million will begin to expire in 2031 for federal and $ ~~21~~ **53**. ~~3~~ **6** million will begin to expire in 2040 for state purposes. As of December 31, ~~2023~~ **2024**, we had federal research and development tax credit carryforwards of $ ~~6~~ **7**. ~~9~~ **2** million which will begin to expire in 2031. We have no state research and development tax credit carryforwards. As of December 31, ~~2023~~ **2024**, we had $ ~~307~~ **299**. ~~2~~ **1** million in federal and state NOLs with no limited period of use. NOLs and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders over a three- year period in excess of 50 %, as defined under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of our company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. State NOLs and tax credit carryforwards may be subject to similar limitations under state laws. We have not completed a 382 study through December 31, ~~2023~~ **2024**, however, we may have experienced ownership changes in the past, including in connection with the 2020 merger between Menlo ~~Therapeutics~~ (our predecessor company) and Foamix ~~Pharmaceuticals Ltd~~. Our private placement transaction in November 2023 also likely resulted in an ownership change for purposes of Section 382. We may experience ownership changes in the future as a result of the subsequent shifts in our stock ownership, some of which may be outside of our control. As a result, even if we earn net taxable income, our ability to use the NOL and tax credit carryforwards may be materially limited, which could harm our future operating results by effectively increasing our future tax obligations. Results of Operations for the Years Ended December 31, ~~2023~~ **2024** and December 31, ~~2022~~ **2023** Year Ended December 31, Increase / (Decrease) Increase / (Decrease) (in thousands, except %) ~~20232022~~ **20242023** $ % RevenuesRoyalty revenues $ **501 $** 424 $ ~~477~~ **77 $** ~~18. 2 % Total revenues501 424 77 18. 2 % Operating expensesResearch and development30, 946 16, 307 14, 639 89. 8 % General and administrative13, 192 13, 375~~ (~~53~~ **183**) (~~11.~~ 1 ~~) % Total revenues424 $ 477 (53) (11. 1) % Operating ExpensesResearch and development16, 307 18, 385 (2, 078) (11. 3) % General and administrative13, 375 16, 387 (3, 012) (18~~. 4) % Total operating ~~expenses29~~ **expenses44 , 138 29**, 682 ~~34, 772 (5, 090) (~~14 **, 456 48**. **7** ~~6)~~% Operating loss (**43, 637) (** 29, 258) ~~(34, 295) (5, 037) (~~14 **, 379 49**. **1** ~~7)~~% Other income, ~~net1~~ **net3 , 834 1**, 386 **2** ~~363 1~~, ~~023 281~~ **448 176**. ~~8~~ **6** % Loss from continuing operations before income taxes (**39, 803) (** 27, 872) **11** ~~(33~~, **931 42** ~~932) (6, 060) (17~~. **8** ~~9)~~% Income tax ~~expense~~ **expense4** — **4** ~~13 (13)~~ * Loss from continuing operations (**39, 807) (** 27, 872) **11** ~~(33~~, **935 42** ~~945) (6, 073) (17~~. **8** ~~9)~~% ~~Income (loss~~ **Loss** ~~)~~ from discontinued operations, net of income taxes (**27) (** 580) ~~10, 735~~ (**553** ~~11, 315~~) (~~105~~ **95**. ~~4~~ **3**) % Net loss **$ (39, 834) $** (28, 452) ~~(23~~ **$ 11**, **382 40** ~~210) 5, 242 22~~. ~~6~~ **0** % * percentage not meaningful Revenues totaled $ 0. ~~4~~ **5** million and $ 0. ~~5~~ **4** million for the years ended December 31, **2024 and** 2023 ~~and 2022~~, respectively, consisting of royalty revenue from our royalty agreement with LEO Pharma. Our research and development expenses for the year ended December 31, ~~2023~~ **2024** were $ **30. 9 million, representing an increase of $ 14. 6 million, or 89. 8 %, compared to $** 16. 3 ~~million, representing a decrease of $ 2. 1 million, or 11. 3 %, compared to $ 18. 4~~ million for the year ended December 31, ~~2022~~ **2023**. The ~~decrease~~ **increase** was primarily due to ~~lower~~ **an increase of $ 11. 7 million in expenses for repibresib, an increase of $ 2. 5 million in expenses for VYN202 and an increase of $ 0. 8 million of** employee- related expenses **following the hiring** of **additional research and development personnel. The** $ ~~3~~ **11**. ~~8~~ **7** million ~~and decreased spending~~ **increase in expenses** for ~~FMX114~~ **repibresib primarily relates to preparatory activity** and ~~VYN201~~ **clinical trial costs incurred for our ongoing Phase 2b trial** of **repibresib in subjects with NSV. The** $ 2. ~~7~~ **5** million ~~and $ 2. 2 million, respectively. The decrease~~ **increase in expenses for VYN202 is primarily associated with costs incurred for our Phase 1a SAD / MAD trial which** was **completed in the fourth quarter of 2024. Both trials were initiated in June 2024. These increases were** partially offset by ~~increased~~ **lower consulting** expenses ~~for VYN202~~ of $ ~~6~~ **0**. ~~7~~ **4** million ~~, including $ 4. 0 million paid in connection with entering into the VYN202 License Agreement~~. Our general and administrative expenses for the year ended December 31, ~~2023~~ **2024** were $ 13. ~~4~~ **2** million, representing a decrease of **approximately** $ ~~3.~~0 **. 2** million, or ~~18~~ **1**. 4 %, compared to $ ~~16~~ **13**. 4 million for the year ended December 31, ~~2022~~ **2023**. The decrease was primarily driven by ~~lower rent and corporate insurance costs of~~ $ ~~1~~ **0**. ~~6~~ **9** million ~~and~~ **of employee related expenses, partially offset by** ~~decreased~~ **increased** consulting and professional fees of $ ~~1~~ **0**. ~~1~~ **8** million. Other income, net for the years ended December 31, **2024 and** 2023 ~~and December 31, 2022~~ was $ **3. 8 million and $** 1 ~~. 4 million and $ 0~~. 4 million, respectively, primarily related to interest income earned on cash, cash equivalents and marketable securities. Due to the sale of the MST Franchise during the first quarter of 2022, in accordance with ASC 205, Discontinued Operations, we have classified the results of the MST Franchise as discontinued operations in our consolidated statements of operations **and comprehensive loss** for all periods presented. See" Note 4 ~~,~~ — Discontinued Operations" in the consolidated financial statements. Liquidity and Capital Resources ~~As~~ **Sources** of ~~December 31,~~ **Liquidity Since the sale of the MST Franchise in January** ~~2023~~ **2022**, we **have** ~~had cash, cash equivalents, restricted cash and marketable securities of $ 93. 3 million and an accumulated deficit of $ 691. 3 million. We had no~~ **not generated any revenue from product sales** ~~outstanding debt as of December 31, 2023~~. **In addition** ~~For the year ended December 31, 2023~~, we ~~incurred a net loss of $ 28. 5 million and used $ 25. 3 million of cash in operations. The net loss was comprised of a $ 27. 9 million loss from continuing operations and a $ 0. 6 million loss from discontinued operations. We~~ have incurred losses and experienced negative operating cash flows since our inception and anticipate that we will continue to incur losses until such a time when our product candidates, if approved, are commercially successful, if at all. We will not generate any revenue from any current or future product candidates unless and until we obtain regulatory approval and commercialize such products. **As a result** ~~On October 27, 2023~~, we **will need additional capital** ~~entered into a securities purchase agreement with certain institutional and other accredited investors (collectively, the " Purchasers "), pursuant~~ to **fund our operations,** which we ~~agreed to sell and issue to~~ **may obtain from additional equity or debt financings, collaborations, licensing arrangements or** ~~the~~ **other sources. See Item 1A** ~~Purchasers in a private placement transaction (the " Private Placement~~ **Risk**

Factors ” **for additional risks associated** ~~) (i) 10, 652, 543 shares of our common stock and (ii)~~ with **our substantial capital requirements** ~~respect to certain Purchasers, pre- funded warrants to purchase 28, 614, 437 shares of common stock in lieu of shares (the “ Pre- Funded Warrants ”)~~ . **As** ~~The purchase price per share~~ of ~~common stock was~~ **December 31, 2024, we had cash, cash equivalents, and marketable securities of** $ ~~2~~ **61** . **5 million and** ~~245 per share (the “ Stock Purchase Price ”) and~~ **an accumulated deficit of** ~~the purchase price for the Pre- Funded Warrants was the Stock Purchase Price minus~~ $ **731** ~~0. 0001 per Pre- Funded Warrant. On November 1, 2023, we received gross proceeds of $ 88~~ . 2 million **. We had no outstanding debt as of December 31, 2024. For the year ended December 31, 2024, we incurred a net loss of $ 39. 8 million and used $ 34. 0 million of cash in operations. Based on our current operating plan, we believe our existing cash, cash equivalents, and marketable securities are sufficient to fund our operating and capital expenditure requirements for a period of at least 12 months** from the **date of issuance of** ~~Private Placement, before deducting fees to the placement agent and offering expenses payable by us. Net proceeds, after deducting those~~ -- **the** ~~fees and expenses, were $ 82. 7 million~~ **audited consolidated financial statements included in this Annual Report on Form 10- K** . If our available cash, cash equivalents, ~~restricted cash~~ and marketable securities are insufficient to satisfy our liquidity requirements, we may need to raise additional capital to fund our operations. No assurance can be given as to whether additional needed financing will be available on terms acceptable to us, if at all. If sufficient funds on acceptable terms are not available when needed, we may be required to suspend or forego certain planned activities. Failure to manage discretionary spending or raise additional financing, as needed, would adversely impact our ability to achieve our intended business objectives and have an adverse effect on our results of operations and future prospects. **Our sources of funding for the years ended December 31, 2024 and 2023 are further evaluated in the cash flow section below. Other than our obligations pursuant to the Tay License Agreements, we have no ongoing material financial commitments that may affect our liquidity over the next five years. See the section titled “ Development and License Agreements — Agreements with Tay ” for additional discussion of our financial obligations under the Tay License Agreements. Future Funding Requirements** We ~~believe~~ **do not expect to generate any product revenue unless and until we obtain regulatory approval of and commercialize any of our product candidates, and we do not know when,** ~~our~~ **or if** ~~existing cash~~ , ~~cash equivalents~~ **that will occur. Until we can generate significant revenue from product sales** , ~~restricted cash~~ **if ever, we will continue to require substantial additional capital to develop our current** and ~~marketable~~ **future product candidates and fund operations for the foreseeable future. We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we advance the preclinical activities and studies and initiate clinical trials. We are subject to all the risks incident in the development of new biopharmaceutical products, and we may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may harm our business. In order to complete the development of repibresib and VYN202 (including making milestone payments pursuant to the repibresib License Agreement and VYN202 License Agreement), or any future product candidates, we will require substantial additional capital. Accordingly, we expect to seek to raise any necessary additional capital through private or public equity or debt financings, loans or other capital sources, which could include income from collaborations, partnerships or other marketing, distribution, licensing or other strategic arrangements with third parties, or from grants. To the extent that we raise additional capital through equity financings or convertible debt** securities ~~are sufficient to fund~~ **, the ownership interest of our stockholders will be** ~~our~~ **or could be diluted, and the terms of these securities may include liquidation, voting or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, including restricting our** ~~operating~~ **operations** and **limiting our ability to incur liens, issue additional debt, pay dividends, repurchase our common stock, make certain investments or engage in merger, consolidation, licensing, or asset sale transactions. If we raise** capital ~~expenditure requirements~~ **through collaborations, partnerships, and other similar arrangements with third parties, we may be required to grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. We may be unable to raise additional capital from these sources on favorable terms,** ~~for~~ **or** ~~a period of~~ at ~~least 12 months from~~ **all. In addition,** the ~~date~~ **amount** of ~~issuance of the audited consolidated financial~~ **proceeds we may be able to raise pursuant to our shelf registration** ~~statements~~ **statement** ~~included in~~ **on Form S- 3 is limited. As of the filing of** this Annual Report on Form 10- K **Funding Requirements Our present and** future ~~programs~~ **funding requirements will depend on a number of factors,including the following:• costs associated with the research and development of product candidates** ;• the time and costs involved in obtaining regulatory approval for our other pipeline product candidates and any delays we may encounter as a result of evolving regulatory requirements or adverse results with respect to any of these product candidates;• terms and timing of any acquisitions,collaborations or other arrangements;• the ~~cost and timing of attracting,hiring,and retaining skilled personnel to support our operations;• the~~ number of potential new products we identify and decide to develop; **and** • the costs involved in filing and prosecuting patent applications and obtaining,maintaining and enforcing patents or defending against claims or infringements raised by third parties,and license royalties or other amounts we may be required to pay to obtain rights to third party intellectual property rights ~~;and • the costs associated with operating as a public company~~ .Our operating plan may change as a result of many factors currently unknown to us,and any such change may affect our funding requirements.We may therefore need to seek additional capital sooner than planned,through public or private equity or debt financings or other sources,such as strategic collaborations or additional license arrangements.Such financings may result in dilution to stockholders,imposition of debt covenants and repayment obligations or other restrictions that may affect our business.For more information as to the risks associated with our future funding needs,see “ ~~Part I — I~~tem 1A . ~~—~~ Risk Factors **” included herein.** . Cash Flows The following table summarizes our cash flows for the years ended December 31, **2024 and** 2023 ~~and 2022~~ : Year Ended December 31, ~~20232022Net~~ **20242023Net** cash (used in) / provided by: (in thousands) Operating activities $ (~~25~~ **33** , ~~341~~ **972**) $ (~~29~~ **25** , ~~200~~ **341**) Investing **activities23, 365 (57, 354) Financing** activities (**141** ~~57, 354~~) **82** ~~15, 667 Financing activities82~~ , 394 ~~1,~~

~~653~~ Net cash used in operating activities **During the year ended December 31, 2024, net cash used in operating activities was $ 34. 0 million and primarily reflected our net loss of $ 39. 8 million adjusted for non- cash share- based compensation expense of $ 3. 3 million, partially offset by the amortization of premium on marketable securities of $ 2. 4 million. The remainder of the cash used in operations was due to net changes in assets and liabilities, which was largely driven by a $ 6. 0 million increase in trade payables, accrued expenses, employee related obligations and other long- term liabilities. This increase was primarily comprised of accruals related to fees for contract research organizations, investigative sites, and other service providers that assist in conducting preclinical research studies and clinical trials.** During the year ended December 31, 2023, net cash used in operating activities was $ 25. 3 million and primarily reflected our net loss of $ 28. 5 million adjusted for non- cash items of $ 3. 1 million primarily related to ~~stock~~ **share** - based compensation expense. The remainder of the cash used in operations was driven by net changes in assets and liabilities. **Net cash provided by (used in) investing activities** During the year ended December 31, ~~2022~~ **2024** ~~, net cash used in operating activities was $ 29. 2 million and primarily reflected our net loss of $ 23. 2 million adjusted for the gain on the sale of the MST Franchise of $ 12. 9 million and non- cash items of $ 4. 7 million related to stock- based compensation expense, depreciation and loss from sale and disposal of property and fixed assets. The remainder of the cash used in operations was driven by net decrease in assets and liabilities. Net cash provided by investing activities During the year ended December 31, 2023, net cash used in investing activities was driven by the purchase of marketable securities of $ 62. 4 million following the receipt of proceeds from the Private Placement, partially offset by the receipt of the deferred payment from Journey in January 2023 of $ 5. 0 million in connection with the sale of the MST Franchise. During the year ended December 31, 2022~~ , net cash provided by investing activities was $ ~~15~~ **23** . ~~7~~ **4** million and **consisted of $ 84. 0 million of proceeds received from the sale and maturity of marketable securities, partially offset by $ 60. 5 million paid for the purchase of marketable securities and $ 0. 1 million paid for the purchase of property and equipment. During the year ended December 31, 2023, net cash used in investing activities** was ~~primarily~~ **driven by** the ~~result~~ **purchase** of ~~net proceeds~~ **marketable securities of $ 62. 4 million, partially offset by the receipt of the deferred payment** from **Journey in January 2023 of $ 5. 0 million in connection with** the ~~disposition~~ **sale** of the MST Franchise. Net cash **(used in)** provided by financing activities **During the year ended December 31, 2024, net cash used in financing activities related to $ 0. 1 million of withholdings from the exercise of options and issuance of shares for share- based compensation arrangements.** During the year ended December 31, 2023, net cash provided by financing activities was $ 82. 4 million and consisted primarily of net proceeds of $ 82. 7 million from ~~the Private Placement~~ **our issuance and sale of common stock and pre- funded warrants** and $ 0. 2 million of proceeds received from **the** sales of common stock under our at- the- market equity offering program, partially offset by $ 0. 4 million paid for the redemption of previously outstanding convertible preferred stock. ~~During~~ **Cash and Funding Sources Our sources of funding in** the year ended December 31, ~~2022~~ **2024 consisted primarily of** ~~, net cash provided by financing activities was~~ $ ~~1~~ **84** . ~~7~~ **0** million ~~and was primarily attributable to the issuance~~ of **proceeds received from** ~~common stock under our at-~~ the ~~-~~ **sale and maturity of** ~~market~~ **marketable securities** ~~equity offering program and the issuance of the convertible preferred stock that was subsequently redeemed . Cash and Funding Sources~~ Our sources of funding in the year ended December 31, 2023 totaled $ 87. 8 million and consisted primarily of **net proceeds of** $ 82. 7 **million from our issuance and sale of common stock and pre- funded warrants, $ 5. 0 million in proceeds from the deferred payment from the sale of the MST Franchise and $ 0. 2** million in net proceeds from the ~~Private Placement, $ 5. 0 million in proceeds from the deferred payment from the sale of the MST Franchise and $ 0. 2 million in net proceeds from the~~ issuance of common stock pursuant to our at- the- market offering program ~~. Our sources of funding in the year ended December 31, 2022 totaled $ 17. 3 million and consisted primarily of $ 15. 7 million in net proceeds from the sale of the MST Franchise and $ 1. 5 million in net proceeds from the issuance of common stock pursuant to our at- the- market offering program. We have no ongoing material financial commitments (such as lines of credit) that may affect our liquidity over the next five years~~ . Contractual Obligations Lease Commitments ~~:~~ In November 2022, we transitioned to a smaller corporate headquarters and signed a Sublease Agreement (the " Sublease ") to sublease approximately 5, 755 square feet of office space (the " Leased Premises ") in Bridgewater, New Jersey through September 30, 2023. We signed a Lease Agreement (the " Master Lease ") to lease the Leased Premises following the termination of the Sublease through September 30, 2025. We have aggregate operating lease obligations of $ 0. ~~2~~ **1** million ~~through that date~~ **at December 31, 2024** . R & D Commitments ~~:~~ We enter into contracts in the normal course of business with CROs, contract manufacturing organizations and other service providers for clinical trials, preclinical studies and testing, manufacturing and other services and products for operating purposes. These contracts generally provide for termination upon notice, and therefore we believe that our non- cancelable obligations under these agreements are not material. Funding Requirements Our present and future funding..... — Risk Factors " included herein. Off- Balance Sheet Arrangements As of December 31, ~~2023~~ **2024** , we did not have any off- balance sheet arrangements. ~~Cybersecurity~~ Critical Accounting Policies and Significant Judgments and Estimates We prepare our consolidated financial statements in accordance with generally accepted accounting principles in the United States. The preparation of consolidated financial statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. While our significant accounting policies are more fully described in **"** Note 2 ~~—~~ , ~~"~~ Significant Accounting Policies, " to the consolidated financial statements included in this Annual Report on Form 10- K, we believe that the following accounting policies are the most critical to assist stockholders and investors reading the consolidated financial statements in fully understanding and evaluating our financial condition and results of operations. These policies relate to significant areas involving management' s judgments and estimates and that require our most difficult, subjective or complex judgments, often as

a result of the need to make estimates about the effect of matters that are inherently uncertain. **Research and Development Expenses** We **make estimates of** ~~record revenue based on a five- step model in accordance with Accounting Standards Codification (" ASC") 606, Revenue from Contracts with Customers (" ASC 606"). For collaboration agreements under ASC 606 we identify the contract, we identify the performance obligations, determine the transaction price, allocate the contract transaction price to the performance obligations, and recognize the revenue when (or~~ **our accrued research and development expenses** as ~~) the performance obligation is satisfied. Royalty Revenues and Collaboration Agreements We identify the performance obligations included within the agreement and evaluate which performance obligations are distinct. Upfront payments for licenses are evaluated to determine if the license is capable~~ of ~~being distinct from the obligations to participate on certain development and / or commercialization committees with the collaboration partners and supply manufactured drug product for clinical trials. For performance obligations that are satisfied over time, we utilize the input method and revenue is recognized by consistently applying a method of measuring progress toward complete satisfaction of that performance obligation. We periodically review our estimated periods of performance based on the progress under~~ each **balance sheet** ~~arrangement and account for the impact of any changes in estimated periods of performance on a prospective basis. Milestone payments are a form of variable consideration as the payments are contingent upon achievement of a substantive event. Milestone payments are estimated and included in the transaction price when we determine that it is probable that there will not be a significant reversal of cumulative revenue recognized in future periods. Product sales, Product Sales Provisions and Product Returns As a result of the disposition of the MST Franchise in January 2022, we no longer have any revenue generating products. See Note 4, " Discontinued Operations. " Our net product revenues were generated through sales of AMZEEQ, which was approved by the FDA in October 2019 and was commercially launched in the United States in January 2020, and ZILXI, which was approved by the FDA in May 2020 and was commercially launched in the United States in October 2020. Our customers were a limited number of national and select regional wholesalers (the " distributors ") and certain independent and specialty pharmacies (together, the " customers "). Net product revenue was typically recognized when customers obtained control of our products, which occurred at a point in time, typically upon delivery of product to the customers. Product revenue was recorded net of distribution fees, trade discounts, allowances, rebates, copay program coupons, chargebacks, estimated returns and other incentives. These deductions represented estimates of the related obligations and, as such, knowledge and judgment were required when estimating the impact of these revenue deductions on gross sales for a reporting period. Consistent with industry practice, customers were generally allowed to return products within a specified period of time before and after its expiration~~ date ~~. We estimated the amount of product that would be returned and deducted these estimated amounts from gross revenue at the time the revenue was recognized. The information utilized to estimate the returns provision included: (i) actual return history (ii) historical return industry information regarding rates for comparable pharmaceutical products and product portfolios, (iii) external data with respect to inventory levels~~ in ~~the wholesale distribution channel, (iv) external data with respect to prescription demand for products and (v) remaining shelf lives of products at the date of sale. We accounted for the sale of the MST Franchise in accordance with Accounting Standards Codification, ASC, 205 Discontinued Operations and Accounting Standards Update, ASU, No. 2014- 08, Reporting of Discontinued Operations and Disclosures of Disposals of Components of an Entity. We followed the held- for- sale criteria as defined in ASC 360 and ASC 205. ASC 205 requires that a component of an entity that has been disposed of or~~ **our** ~~is classified as held for sale and has operations and cash flows that can be clearly distinguished from the rest of the entity be reported as assets held for sale and discontinued operations. In the period a component of an entity has been disposed of or classified as held for sale, the results of operations for the periods presented are reclassified into separate line items in the consolidated statements of operations. Assets and liabilities are also reclassified into separate line items on the related consolidated balance sheets for the periods presented. ASU 2014- 08 requires that only a disposal of a component of an entity, or a group of components of an entity, that represents a strategic shift that has, or will have, a major effect on the reporting entity' s operations and financial results be reported in the financial statements as discontinued operations. ASU 2014- 08 also provides guidance on the financial statement presentations and disclosures of discontinued operations. Due to the sale of the MST Franchise during the first quarter of 2022, in accordance with ASC 205, Discontinued Operations, we have classified the results of the MST Franchise as discontinued operations in our consolidated statements of operations and cash flows for all periods presented, see Note 4, Discontinued Operations in the~~ consolidated financial statements **based on facts** ~~. All disposed assets~~ and **circumstances known to us at that time. There may also be instances** ~~liabilities associated with our MST Franchise were therefore classified as assets and liabilities of discontinued operations~~ in **which payments made to** our **vendors will exceed** ~~consolidated balance sheets for~~ the **level of service provided and result in a prepayment of the expense. In accruing expenses, we estimate the time** ~~periods~~ **period** ~~presented~~ **over which services will be performed and the level of effort to be expended in each period** . ~~All~~ **If the actual timing of the performance of services or the level of effort varies from the estimate, we adjust the accrual or the amount of the prepaid expense accordingly. Although we do not expect our estimates to be materially different from** amounts **actually** ~~included~~ **incurred** ~~in~~ **, our understanding of** the ~~notes to the consolidated financial statements~~ **status and timing of services performed** ~~relate~~ **relative** to ~~continuing operations unless otherwise~~ **the actual status and timing of services performed may vary and may result in reporting higher or lower amounts in any particular period. To date, there have** ~~noted~~ **not been any material adjustments to our prior estimates of accrued research and development expenses** . Recently Issued Accounting Pronouncements Certain recently issued accounting pronouncements are discussed in **"** Note 2 ~~—~~ **,** ~~"~~ Significant Accounting Policies, " to the consolidated financial statements included in this Annual Report on Form 10- K. ITEM 7A- QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK As a " smaller reporting company, " as defined by Item 10 of Regulation S- K, we are not required to provide quantitative or qualitative disclosures about market risk. ITEM 8- FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA VYNE THERAPEUTICS INC. CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, ~~2023~~ **2024** INDEX ~~Item 8. Financial Statements and Supplementary DataPageReport~~

---- **PageReport** of Independent Registered Public Accounting Firm (Baker Tilly US, LLP, Tewksbury, MA, PCAOB ID 23) F- 1Consolidated Balance SheetsF- 2Consolidated Statements of Operations and Comprehensive LossF- 3Consolidated Statements of Changes in Mezzanine Equity and Shareholders' EquityF- 4Consolidated Statements of Cash FlowsF- 5Notes to Consolidated Financial StatementsF- 7 To the ~~Board of Directors and Shareholders~~ **shareholders and the board of directors** of VYNE Therapeutics Inc. Opinion on the Financial Statements We have audited the accompanying consolidated balance sheets of VYNE Therapeutics Inc. ~~and its subsidiaries~~ (the " Company ") as of December 31, **2024 and** 2023 ~~and 2022~~ , ~~and~~ the related consolidated statements of operations and comprehensive loss, changes in mezzanine equity and shareholders' equity, and cash flows for each of the two years in the period ended December 31, ~~2023~~ **2024** , and the related notes (collectively referred to as the " consolidated financial statements "). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, **2024 and** 2023 ~~and 2022~~ , and the results of its operations and its cash flows for each of the two years in the period ended December 31, ~~2023~~ **2024** , in conformity with accounting principles generally accepted in the United States of America. Basis for Opinion These consolidated financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on the Company' s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (" PCAOB ") and are required to be independent with respect to the Company in accordance with the U. S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the ~~audits~~ **audit** to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company' s internal control over financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion. Critical Audit Matters Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters. / s / Baker Tilly US, LLP We have served as the Company' s auditor since 2022. Tewksbury, Massachusetts March **6, 2025 F-** 1 ~~, 2024 F- 1 F- 2~~ CONSOLIDATED BALANCE SHEETS (U. S. dollars in thousands) December ~~3120232022AssetsCurrent~~ **3120242023AssetsCurrent** Assets: Cash and cash equivalents $ ~~30~~ **19** , ~~620~~ **926** $ 30, ~~908~~ **620** Restricted ~~cash54~~ -- **cash** ~~67 — 54~~ Investment in marketable securities (Note 6) **41, 590** 62, 633 ~~— Amount due from sale of MST Franchise — 5, 000~~ Prepaid and other current assets2, **921 2,** 656 ~~2, 300~~ Total Current ~~Assets95~~ **Assets64 , 437 95** , 963 ~~38, 275~~ Non- current Assets: **Property and equipment, net (Note 7) 113 —** Operating lease right of use assets (Note 9) **93** 207 ~~—~~ Non- current prepaid expenses and other ~~assets1~~ **assets2 , 262 1** , 515 ~~2, 483~~ Total Non- current ~~Assets1~~ **Assets2 , 468 1** , 722 ~~2, 483~~ Total Assets $ **66, 905 $** 97, 685 ~~$ 40, 758~~ Liabilities ~~, Mezzanine Equity~~ and Shareholders' EquityCurrent Liabilities: Trade payables $ **2, 707 $** 1, 659 ~~$ 2, 386~~ Accrued expenses (Note 8) **9, 272** 4, 119 ~~4, 381~~ Employee- related obligations1, **428 1,** 645 ~~2, 372 Liability for employee severance benefits — 206~~ Operating lease liabilities (Note 9) **99** 115 **Other current liabilities1, 313** — Total Current ~~Liabilities7~~ **Liabilities14 , 819 7** , 538 ~~9, 345~~ Long- term Liabilities: Non- current operating lease liabilities (Note 9) **—** 99 **Other liabilities** — **1** ~~Other liabilities1~~ , 313 ~~—~~ Total Long- term ~~Liabilities1~~ **Liabilities — 1** , 412 ~~—~~ Total ~~Liabilities8~~ **Liabilities14 , 819 8** , 950 ~~9, 345~~ Commitments and Contingencies (Note 11) ~~Mezzanine Equity: Convertible Preferred Stock: $ 0. 0001 par value; 20, 000, 000 shares authorized at December 31, 2023 and December 31, 2022; Series A Preferred Stock: 0 and 3, 000 shares issued and outstanding at December 31, 2023 and December 31, 2022, respectively (Note 12) — 211~~ Shareholders' Equity: Preferred stock: $ 0. 0001 par value; 20, 000, 000 shares authorized at December 31, **2024 and** 2023 ~~and December 31, 2022, respectively~~ ; no shares issued and outstanding at December 31, **2024 and** 2023 ~~and December 31, 2022, respectively~~ — — Common stock: $ 0. 0001 par value; 150, 000, 000 shares authorized at December 31, ~~2023~~ **2024** and December 31, ~~2022~~ **2023** ; 14, **830, 013 and 14,** 098, 888 ~~and 3, 229, 704~~ shares issued and outstanding at December 31, **2024 and** 2023 ~~and December 31, 2022~~ , respectively1 ~~—~~ **1** Additional paid- in ~~capital780~~ **capital783 , 235 780** , 044 ~~693, 937~~ Accumulated other comprehensive ~~income26~~ **income20 —** **26** Accumulated deficit (~~691~~ **731** , ~~336~~ **170**) (~~662~~ **691** , ~~735~~ **336**) Total Shareholders' ~~Equity88~~ **Equity52 , 086 88** , 735 ~~31, 202~~ Total Liabilities ~~, Mezzanine Equity~~ and Shareholders' Equity $ **66, 905 $** 97, 685 ~~$ 40, 758~~ The accompanying notes are an integral part of these consolidated financial statements **. F- 2 VYNE THERAPEUTICS INC** . CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (U. S. dollars in thousands, except per share data) Year ended December 31, ~~20232022RevenuesRoyalty~~ ---- **20242023RevenuesRoyalty** revenues $ **501 $** 424 ~~$ 477~~ Total ~~Revenues424 477~~ **revenues501 424** Operating **expensesResearch** ~~Expenses: Research~~ and ~~development16~~ **development30 , 946 16** , 307 ~~18, 385~~ General and administrative13, **192 13,** 375 ~~16, 387~~ Total **operating expenses44, 138 29, 682** Operating ~~Expenses29, 682 34, 772 Operating Loss~~ **loss (43, 637)** (29, 258 ~~) (34, 295~~) Other income, ~~net1~~ **net3 , 834 1** , 386 ~~363~~ Loss from continuing operations before income taxes (~~27~~ **39** , ~~872~~ **803**) (~~33~~ **27** , ~~932~~ **872**) Income tax ~~expense~~ **expense4** — ~~13~~ Loss from continuing operations (**39, 807) (** 27, 872) ~~(33, 945) (~~ Loss ~~) income~~ from discontinued operations, net of income taxes (**27) (** 580) ~~10, 735~~ Net ~~Loss~~ **loss $ (39, 834)** $ (28, 452 ~~) $ (23, 210~~) Loss per share from continuing operations, basic and diluted $ (~~2~~ **0** . ~~72~~ **93**) $ (~~10~~ **2** . ~~65~~ **72**) ~~(~~ Loss ~~) income~~ per share from discontinued operations, basic and diluted $ **— $** (0. 06) ~~$ 3. 37~~ Loss per share **,** basic and diluted

$ (2 0 . 78 93) $ (7 2 . 28 78) Weighted average shares outstanding- basic and diluted 42, 589 10, 273 3, 186 Other comprehensive (loss) income: Unrealized (losses) gain gains on marketable securities, net of tax of $ 0 (6) 026 - 26 — Total other comprehensive (loss) income26 -- income — (6) 26 Comprehensive loss $ (28 39 , 426 840) $ (23 28 , 210 426) F- 3 CONSOLIDATED STATEMENTS OF CHANGES IN MEZZANINE EQUITY AND SHAREHOLDERS' EQUITY Mezzanine Equity (Convertible Preferred Stock) Common stockAdditional paid- incapitalAccumulatedother comprehensiveincomeAccumulated deficitTotal Shareholders' EquityNumber of sharesAmountsNumber of sharesAmountsAmountsBALANCE AT DECEMBER 31, 2021 — $ — 2, 976, 541 $ 5 $ 688, 156 $ — $ (639, 525) $ 48, 636 CHANGES DURING 2022: Reclassification due to reverse stock split — — — (5) 5 — — Vesting of restricted stock units, net of withholding for tax, and shares issued under employee share purchase plan — — 16, 749 — 9 — — 9 Stock- based compensation — — — — — 4, 297 — — 4, 297 Issuance of equity line of credit commitment shares in March 2022 — — 92, 644 — — — — — — Issuance of common stock in at- the- market offering, net of $ 135 in issuance costs — — 143, 770 — 1, 470 — — 1, 470 Issuance of convertible preferred stock, net of $ 89 in issuance costs3, 000 211 — — — — — — — Net loss — — — — — — (23, 210) (23, 210) BALANCE AT DECEMBER 31, 20223, 000 $ 211 3, 229, 704 $ — $ 693, 937 $ — $ (662, 735) $ 31, 202 CHANGES DURING 2023: Vesting of restricted stock units, net of withholding for tax, and shares issued under employee share purchase plan — — 50, 214 — (18) — — (18) Stock Share - based compensation — — — — 3, 305 — — 3, 305 Redemption of convertible preferred stock (3, 000) (211) — — — — (149) (149) Issuance of common stock in at- the- market offering, net of $ 5 in issuance costs — — 34, 589 — 156 — — 156 Issuance of common stock and pre- funded warrants in Private Placement, net of $ 5, 486 in issuance costs — — 10, 652, 543 1 82, 664 — — 82, 665 Cashless exercise of pre- funded warrants — — 131, 838 — — — — — — Unrealized gains from marketable securities — — — — — 26 — 26 Net loss — — — — — — (28, 452) (28, 452) BALANCE AT DECEMBER 31, 2023 — $ — 14, 098, 888 $ 1 $ 780, 044 $ 26 $ (691, 336) $ 88, 735 **CHANGES DURING 2024: Vesting of restricted stock units, net of withholding for tax, and shares issued under employee share purchase plan — — 91, 302 — (112) — — (112) Share- based compensation — — — — 3, 303 — — 3, 303 Cashless exercise of pre- funded warrants — — 639, 823 — — — — — — Unrealized losses from marketable securities — — — — — (6) — (6) Net loss — — — — — — (39, 834) (39, 834) BALANCE AT DECEMBER 31, 2024 — $ — 14, 830, 013 $ 1 $ 783, 235 $ 20 $ (731, 170) $ 52, 086** F- 4 CONSOLIDATED STATEMENTS OF CASH FLOWS Year ended December 31, 20232022Cash 20242023Cash Flows From Operating Activities: Net loss $ (28 39 , 452 834) $ (23 28 , 210 452) Adjustments required to reconcile net loss to net cash used inoperating activities: Depreciation Depreciation4 — Share 72 Stock - based compensation3, 303 3, 305 4, 297 Loss from sale and disposal of fixed assets — 282 Gain on the sale of the MST Franchise — (12, 918) Amortization of premium or discount on marketable securities (2, 443) (255) — Unrealized (losses) gains on cash equivalents1 - equivalents — (1) 1 Changes in operating assets and liabilities: Decrease in inventory — 97 Decrease in trade Trade receivables, prepaid expenses and other current assets and operating lease right of use assets (899) 405 asset405 11, 210 Decrease in trade Trade payables, accrued expenses, employee related obligations , liability for employee severance benefits and other long- term liabilities liabilities6 , 012 (559) Operating lease liabilities (114 8, 681) 214 Increase (decrease) in operating lease liabilities214 (349) Net cash used in operating activities (25 33 , 341 972) (29 25 , 200 341) Cash Flows From Investing Activities: Purchase of property and equipment (117) — Proceeds from the sale of the MST Franchise5 - Franchise — 5 , 000 15 Proceeds from the sale and maturity of marketable securities84 , 667 000 — Purchases of marketable securities (60, 518) (62, 354) — Net cash provided by (used in) provided by investing activities activities23 , 365 (57, 354) 15, 667 Cash Flows From Financing Activities: Proceeds related to the issuance of common shares and pre- funded warrants through private placement, net of issuance costs82 -- costs — 82 , 665 — Proceeds related to the issuance of common shares through at- the- market offerings, net of issuance costs156 --- costs — 156 1, 470 (Redemption) proceeds of convertible preferred stock — (360) 211 Withholdings from exercise of options and issuance of shares for stock share - based compensation arrangements, net (67 141) (28 67) Net cash (used in) provided by financing activities82 -- activities (141) 82 , 394 1, 653 Decrease in cash, cash equivalents and restricted cash (301 10, 748) (301 11, 880) Cash, cash equivalents and restricted cash at beginning of the year30, 674 30, 975 42, 855 Cash, cash equivalents and restricted cash at end of the year $ 30 19 , 674 926 $ 30, 975 674 Cash and cash equivalents30 equivalents19 , 926 30 , 620 30, 908 Restricted cash54 -- cash 67 — 54 Total cash, cash equivalents and restricted cash $ 30 19 , 674 926 $ 30, 975 674 F- 5 Year ended December 31, 20232022Supplementary ---- 20242023Supplementary information on investing and financing activities not involving cash flows: Accretion of preferred stock $ — $ 149 $ — Issuance of vested shares under employee share purchase plan $ 30 $ 48 $ 37 Cashless exercise Additions to operating lease right of use assets warrants $ 132 $ — Amount due from sale of MST Franchise $ — $ 5, 000 Additions to operating lease right of use assets $ 207 $ — Additions to operating lease liabilities $ — $ 214 $ — Supplemental disclosure of cash flow information: Interest received $ 1, 139 $ 446 F- 6VYNE THERAPEUTICS INC. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (U. S. dollars in thousands, except share and per share amounts) NOTE 1- NATURE OF OPERATIONS VYNE Therapeutics Inc. (the" Company") is a clinical- stage biopharmaceutical company focused on developing proprietary, innovative and differentiated therapies to treat chronic for the treatment of immuno- inflammatory and immune- mediated conditions with high unmet need . The In August 2021, the Company entered into a transaction with Tay Therapeutics Ltd., formerly known as has In4Derm Limited" Tay"), providing the Company with exclusive worldwide rights to research, develop and commercialize products containing small molecule bromodomain and extra- terminal domain (“ BET ”) inhibitors for the treatment of any disease, disorder or condition in humans , **which the Company licensed from Tay Therapeutics Ltd., formerly known as In4Derm Ltd (" Tay")** . Through its the Company’ s access to this library of new chemical small molecule BET inhibitor inhibitors compounds , which comprise the Company' s InhiBET ™ portfolio , the Company plans to develop product candidates for a diverse set of therapeutic indications. The Based on data generated to date, the Company has chosen to initially focus its initial development efforts for this platform with these molecules on select therapeutic areas in immuno immune - mediated inflammatory disease diseases ,

which are not being targeted by current BET inhibitors in development . The Company ~~'~~ **’** s lead program is **repibresib gel (also known as** VYN201 **)** , a ~~locally~~ **topically** administered **, small molecule** pan- ~~bromodomain (" -~~BD ~~")~~ BET inhibitor designed as a “ soft ” drug to address diseases involving multiple, diverse inflammatory cell signaling pathways while providing low systemic exposure. In preclinical testing, ~~VYN201~~ **repibresib** produced consistent reductions in pro- inflammatory and disease- related biomarkers and improvements in disease severity across a variety of inflammatory and fibrotic **preclinical** models. The Company ~~'~~ **is currently evaluating repibresib gel in a Phase 2b trial for the treatment of NSV. The Company’** s second program is VYN202, an oral **,** small molecule BD2- selective BET inhibitor. VYN202 has been designed to achieve potential class- leading **potency and** selectivity ~~(for~~ BD2 vs. BD1 ~~), maximum potency versus BD2 and optimal oral bioavailability~~ . By maximizing BD2 selectivity, the Company believes VYN202 has the potential to be a **potent oral immunomodulator** ~~more conveniently- administered non- biologic treatment~~ option for both acute control and chronic management of ~~immuno~~ **immune** - **mediated** inflammatory ~~indications~~ -- **conditions** , ~~where~~ **without** the ~~damaging~~ **hematologic and gastrointestinal adverse** effects **associated with earlier generation systemic pan- BD BET inhibitors that were being developed in oncologic settings. The Company has completed a Phase 1a single ascending dose / multiple ascending dose (" SAD / MAD") trial** of ~~unrestricted inflammatory signaling activity are common~~ **VYN202 in healthy volunteers and announced positive data from this trial in December 2024. The Company initiated a Phase 1b trial in February 2025 in adult subjects with moderate- to- severe plaque psoriasis** . The Company intends to advance its product candidates through **further phases of** clinical development toward regulatory approval. As part of ~~its~~ **the** strategy to maximize the value of ~~its~~ **the** pipeline, the Company may partner with larger pharmaceutical companies to expand and accelerate the development of ~~its~~ programs and explore **other indications and** therapeutic areas outside of ~~its~~ **the** core focus in ~~immunology~~ **immune- mediated diseases** . For additional information regarding the sale of the Company' s legacy commercial business (the" MST Franchise") to Journey Medical Corporation **(" Journey")** in January 2022 and the Company' s licensing arrangements with Tay, see" ~~—~~Note 3 ~~- —~~ Strategic Agreements." The Company is a Delaware corporation, has its principal executive offices in Bridgewater, New Jersey and operates as one business segment. Reverse stock split and recasting of per- share amounts On February 8, 2023, the Company' s board of directors approved a 1- for- 18 reverse stock split of its outstanding shares of common stock. The reverse stock split was effected on February 10, 2023 at 5: 01 p. m. Eastern time. At the effective time, every 18 issued and outstanding shares of the Company' s common stock were converted into one share of common stock. No fractional shares were issued in connection with the reverse stock split, and in lieu thereof, each ~~stockholder holding~~ **holder of** fractional shares was entitled to receive a cash payment (without interest or deduction) **from the Company' s transfer agent** in an amount equal to such ~~stockholder~~ **holder** ’ s respective pro rata share of the total net proceeds from the Company’ s transfer agent' s sale of all fractional shares at the then- prevailing prices on the open market. A proportionate adjustment was also made to the maximum number of shares issuable under the Company’ s 2019 Equity Incentive Plan, 2018 Omnibus Incentive Plan and 2019 Employee Share Purchase Plan. The number of authorized shares of the Company' s common stock and the par value of each share of common stock remained unchanged. Unless noted, all common shares and per share amounts contained in the consolidated financial statements have been retroactively adjusted to reflect the 1- for- 18 reverse stock split. **F- 7** Securities Purchase Agreement On October 27, 2023, the Company entered into a Securities Purchase Agreement (the “ Securities Purchase Agreement ”) with certain institutional and other accredited investors (collectively, the “ Purchasers ”), pursuant to which the Company agreed to sell and issue to the Purchasers in a private placement transaction (the “ Private Placement ”) (i) 10, 652, 543 shares of the Company’ s common stock and (ii) with respect to certain Purchasers, pre- funded warrants to purchase 28, 614, 437 shares of ~~F- 7~~ common stock in lieu of shares (the “ Pre- Funded Warrants ”). The purchase price per share of common stock was $ 2. 245 per share (the “ Stock Purchase Price ”) and the purchase price for the Pre- Funded Warrants was the Stock Purchase Price minus $ 0. 0001 per Pre- Funded Warrant. On November 1, 2023, the Company received gross proceeds of $ 88. 2 million from the Private Placement **, before deducting fees to the placement agent and offering expenses payable by the Company** . This transaction resulted in $ 5. 5 million of issuance costs and net proceeds of $ 82. 7 million as of December 31, 2023. As of December 31, ~~2023~~ **2024** , the Company had cash, cash equivalents ~~, restricted cash~~ and marketable securities of $ ~~93~~ **61** . ~~3~~ **5** million and an accumulated deficit of $ ~~691~~ **731** . ~~3~~ **2** million ~~. For the year ended December 31, 2023, the Company incurred a net loss of $ 28. 5 million and used $ 25. 3 million of cash in operations. The net loss was comprised of a $ 27. 9 million loss from continuing operations and a $ 0. 6 million of loss from discontinued operations~~ . The Company had no outstanding debt as of December 31, ~~2023~~ **2024 . For the year ended December 31, 2024, the Company incurred a net loss of $ 39. 8 million and used $ 34. 0 million of cash in operations** . Other than in connection with its legacy commercial business **that was sold in January 2022** , the Company has funded its operations primarily through private and public placements of its equity, debt and warrants and through fees, cost reimbursements and payments received from its licensees. The Company has incurred losses and experienced negative operating cash flows since its inception and anticipates that it will continue to incur losses until such a time when its product candidates, if approved, are commercially successful, if at all. The Company will not generate any revenue from any current or future product candidates unless and until it obtains regulatory approval and commercializes such products. If the Company' s available cash, cash equivalents ~~, restricted cash~~ and marketable securities are insufficient to satisfy its liquidity requirements, the Company may need to raise additional capital to fund its operations. No assurance can be given as to whether additional needed financing will be available on terms acceptable to the Company, if at all. If sufficient funds on acceptable terms are not available when needed, the Company may be required to suspend or forego certain planned activities. Failure to manage discretionary spending or raise additional financing, as needed, would adversely impact the Company’ s ability to achieve its intended business objectives and have an adverse effect on its results of operations and future prospects. ~~The~~ **In addition, the** amount of proceeds the Company may be able to raise pursuant to its shelf registration statement on Form S- 3 is limited. As of the filing of this Annual Report on Form 10- K, the Company is subject to the general instructions of Form S- 3 known as the" baby shelf rules." Under these rules, the amount of

funds the Company can raise through primary public offerings of securities in any 12- month period using its registration statement on Form S- 3 is limited to one- third of the aggregate market value of the shares of the Company' s common stock held by its non- affiliates. Therefore, the Company will be limited in the amount of proceeds it is able to raise by selling shares of common stock using its Form S- 3 until such time as the Company' s public float exceeds $ 75. 0 million. In accordance with Accounting Standards Codification (" ASC ") Subtopic 205- 40, Disclosure of Uncertainties about an Entity' s Ability to Continue as a Going Concern, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company' s ability to continue as a going concern within one year after the date that its audited consolidated financial statements are issued. As of the report date, the Company believes its existing cash, cash equivalents ~~, restricted cash~~ and marketable securities are sufficient to fund its operating and capital expenditure requirements for a period of at least 12 months from the date of issuance of these audited consolidated financial statements. NOTE 2- SIGNIFICANT ACCOUNTING POLICIES ~~:~~a. Basis of presentation The Company' s consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (" U. S. GAAP "). b. Principles of consolidation The consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany balances and transactions have been eliminated upon consolidation. **F- 8** c. Use of estimates The preparation of financial statements in conformity with U. S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the ~~F- 8~~ date of the financial statements and the reported amounts of income and expenses during the reporting period. Significant items subject to such estimates and assumptions include ~~product returns and~~ research and development accruals. Actual results could differ from the Company' s estimates. d. ~~Foreign Currency Translation Transactions and balances originally denominated in dollars are presented at their original amounts. Balances in non- dollar currencies are translated into dollars using historical and current exchange rates for non- monetary and monetary balances, respectively. For non- dollar transactions and other items in the statements of operations (indicated below), the following exchange rates are used: (i) for transactions- exchange rates at transaction dates or average rates; and (ii) for other items (derived from non- monetary balance sheet items such as depreciation and amortization, etc.)- historical exchange rates. Currency transaction gains and losses are presented in financial income or expenses, as appropriate. e.~~ Cash and cash equivalents The Company considers ~~as~~ cash equivalents **to be** all short- term, highly liquid investments, which include short- term bank deposits, treasury bills and money market funds with original maturities of three months or less from the date of purchase that are not restricted as to withdrawal or use and are readily convertible to known amounts of cash. ~~f~~ **e**. Restricted Cash As of December 31, **2024 and** 2023 ~~and 2022~~, the Company had **no and less than $ 0. 1 million of** restricted cash **, respectively,** ~~of $ 0. 1 million~~ representing bank guarantees. ~~g~~ **f**. Marketable securities Marketable securities with original maturities of greater than three months and remaining maturities of less than one year from the balance sheet date are classified as short- term. Marketable securities with remaining maturities of greater than one year from the balance sheet date are classified as long- term. The Company classifies all marketable securities as available- for- sale debt securities. The Company' s marketable securities are measured and reported at fair value using either quoted prices in active markets for identical securities or quoted prices in markets that are not active for identical or similar securities. Unrealized gains and losses are reported as a separate component of shareholders' equity. The cost of securities sold is determined on a specific identification basis, and realized gains and losses, if any, are included in other income, net within the consolidated statement of operations and comprehensive loss. ~~h~~ **g**. Property and equipment ~~1)~~ Property and equipment are stated at cost, net of accumulated depreciation ~~and amortization~~. ~~2)~~ The Company' s property and equipment are depreciated by the straight- line method on the basis of their estimated useful life. **Estimated useful lives** ~~Annual rates of depreciation~~ are as follows: Estimated Useful **LifeOffice** ~~LifeComputers3- 7 yearsLaboratory~~ equipment5 ~~- 14 yearsOffice furniture and equipment7- 14~~ years **h** ~~Leasehold improvements are amortized by the straight- line method over the expected lease term, which is shorter than the estimated useful life of the improvements. i~~. Impairment of long- lived assets The Company tests long- lived assets for impairment whenever events or circumstances present an indication of impairment. If the sum of expected future cash flows (undiscounted and without interest charges) of the assets is less than the carrying amount ~~F- 9~~ of such assets, an impairment loss would be recognized. The assets would be written down to their estimated fair values, calculated based on the present value of expected future cash flows (discounted cash flows), or some other fair value measure. ~~j~~ **i**. Credit losses An allowance is maintained for potential credit losses in accordance with accounting standards update (" ASU") No. 2016- 13. The Company evaluates its allowance based on expected losses rather than incurred losses, which is known as the current expected credit loss (" CECL ") model. The allowance is determined using the loss rate approach and is measured on a collective (pool) basis when similar risk characteristics exist. Where financial instruments do not share risk characteristics, they are evaluated on an individual basis. The allowance is based on relevant available information, from internal and external sources, **F- 9** relating to past events, current conditions, and reasonable and supportable forecasts ~~.~~. Trade receivable balances are written off against the allowance when it is deemed probable that the receivable will not be collected. Trade receivables, net are stated net of reserves for certain sales allowances and credit losses. Credit losses were not material for the years ended December 31, **2024 and** 2023 ~~and 2022~~. ~~k~~ **j**. Leases The Company' s lease portfolio mainly consists of office space. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Operating lease assets represent the Company' s right to use an underlying asset for the lease term whereas lease liabilities represent the Company' s obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheet. Operating lease expense is recognized on a straight- line basis over the expected lease term. ~~l~~ **k**. Contingencies Certain conditions may exist as of the date of the consolidated financial statements, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company' s management assesses such contingent liabilities and such assessment inherently involves an exercise of judgment.

In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company' s management evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. Management applies the guidance in ASC 450- 20- 25 when assessing losses resulting from contingencies. If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability is recorded as accrued expenses in the Company' s financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material are disclosed. Loss contingencies considered to be remote by management are generally not disclosed unless they involve guarantees, in which case the guarantees are disclosed. ~~m~~ **l** . Share- based compensation The Company accounts for employees' and directors' share- based payment awards classified as equity awards using the grant- date fair value method. The fair value of share- based payment transactions is recognized as an expense over the requisite service period using the straight- line method. Forfeitures are recognized as they occur. Share- based payments related to the employee share purchase plan (" ESPP ") are recognized based on the fair value of each award estimated on the first day of the offering period and recognized as an expense over the offering period using the straight- line method. The Company elected to recognize compensation costs for awards conditioned only on continued service that have a graded vesting schedule using the straight- line method. **m** ~~F- 10 n~~ . Revenue recognition The Company accounts for its revenue transactions under Financial Accounting Standards Board (" FASB") Accounting Standards Codification (" ASC") Topic 606, Revenue from Contracts with Customers. In accordance with ASC Topic 606, the Company recognizes revenues when its customers obtain control of its product for an amount that reflects the consideration it expects to receive from its customers in exchange for that product. To determine revenue recognition for contracts that are determined to be in scope of ASC Topic 606, the Company performs the following five steps: (i) identify the contract (s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies **F- 10** the performance obligation. The Company only applies the five- step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. Once the contract is determined to be within the scope of ASC Topic 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when such performance obligation is satisfied. **Following** ~~As a result of~~ the disposition of the MST Franchise in January 2022, the Company **does** ~~no~~ **not have** ~~longer has~~ any revenue generating products; however, ~~it still~~ **the Company** may receive royalty revenues from the sale of specified products (see **"** Note 4 ~~,—~~ Discontinued Operations **"**). **Royalty Revenues and Collaboration Agreements** The Company is entitled to royalty payments with respect to sales of **Finacea foam. The** ~~a product developed by a customer in collaboration with the~~ Company **previously licensed the rights to Finacea foam to LEO Pharma A / S (" LEO Pharma")** . ~~This product~~ **Finacea foam** was not part of the MST Franchise that was sold in January 2022. Royalties are recognized as revenue when the product is sold by ~~the customer~~ **LEO Pharma** . **For** ~~Revenues in the amount of $ 0. 4 million and $ 0. 5 million were recorded during~~ the year ended December 31, **2024 and** 2023 **, royalty revenues were $ 0. 5 million** and ~~2022~~ **$ 0. 4 million** , respectively. For collaboration agreements under ASC 606, the Company identifies the contract, identifies the performance obligations, determines the transaction price, allocates the contract transaction price to the performance obligations, and recognizes the revenue when (or as) the performance obligation is satisfied. The Company identifies the performance obligations included within the agreement and evaluate which performance obligations are distinct. Upfront payments for licenses are evaluated to determine if the license is capable of being distinct from the obligations to participate on certain development and / or commercialization committees with the collaboration partners and supply manufactured drug product for clinical trials. For performance obligations that are satisfied over time, the Company utilizes the input method and revenue is recognized by consistently applying a method of measuring progress toward complete satisfaction of that performance obligation. The Company periodically reviews ~~its~~ estimated periods of performance based on the progress under each arrangement and accounts for the impact of any changes in estimated periods of performance on a prospective basis. **Milestone payments are a form of variable consideration as the payments are contingent upon achievement of a substantive** event. Milestone payments are estimated and **are** included in the transaction price when the Company determines that it is probable that there will not be a significant reversal of cumulative revenue recognized in future periods. ~~Product Revenues, net~~ The Company ~~'~~ **'** s net product revenues were generated through sales of AMZEEQ, which was approved by the FDA in October 2019 and was commercially launched in the United States in January 2020, and ZILXI, which was approved by the FDA in May 2020 and was commercially launched in the United States in October 2020. The Company sold the MST Franchise on January 12, 2022 and, as such, the Company no longer generates revenue from the sale of these products. ~~The following is a description of the Company' s accounting policies related to the sales of AMZEEQ and ZILXI. F- 11 The Company' s customers were a limited number of national and select regional wholesalers (the " distributors ") and certain independent and specialty pharmacies (together, the " customers "). These distributors would subsequently resell the product, primarily to retail pharmacies that dispense the product to patients. Net product revenue was typically recognized when customers obtained control of the Company' s products, which occurred at a point in time, typically upon delivery of product to the customers. The Company evaluated the creditworthiness of its customers to determine whether it was probable that a significant reversal in the amount of the cumulative revenue recognized will not occur. The Company did not assess whether a contract had a significant financing component if the expectation was such that the period between the transfer of the promised goods to the customer and the receipt of payment would be less than one year. Standard credit terms did not exceed 75 days. The Company expensed incremental costs of obtaining a contract as and when incurred if the expected amortization period of the~~

~~asset that would have been recognized is one year or less or the amount is immaterial. Shipping and handling costs related to the Company' s product sales were included in selling, general and administrative expenses. Product revenue was recorded net of distribution fees, trade discounts, allowances, rebates, copay program coupons, chargebacks, estimated returns and other incentives. These reserves were classified as either reductions of accounts receivable or as current liabilities. The estimates of reserves established for variable consideration reflect contractual and statutory requirements, known market events and trends, industry data and forecasted customer mix. The transaction price, which includes variable consideration reflecting the impact of discounts and allowances, was subject to constraint and was included in the net product revenues only to the extent that it was probable that a significant reversal of the amount of the cumulative revenues recognized would not occur in a future period.~~ Provisions for distribution fees, trade discounts and chargebacks **related to the sales of AMZEEQ and ZILXI** are reflected as a reduction to trade receivables, net on the consolidated balance sheet. All other provisions, including rebates, other discounts and return provisions are reflected as a liability within accrued expenses on the consolidated balance sheet. The revenue reserve ~~accrual~~ **liability** was $ 2. **1 million and $ 2.** 3 million ~~and $ 2. 7 million~~ as of December 31, **2024 and** 2023 ~~and December 31, 2022~~, respectively. Under the terms of the Asset Purchase Agreement, the Company retained and is responsible for historical liabilities of the commercial business operations based on events occurring prior to the sale other than those liabilities expressly assumed by Journey ~~. Distribution Fees and Trade Discounts and Allowances The Company paid fees for distribution services and for certain data that distributors provided to the Company and generally provided discounts on sales to its distributors for prompt payment. These fees and discounts were contractual in nature and the Company expected its distributors to earn these fees and discounts, and accordingly deducted the full amount of these fees and discounts from its gross product revenues at the time such revenues were recognized. Rebates, Chargebacks and Other Discounts Product sales made under managed- care and governmental pricing programs in the United States were subject to rebates. Managed Care rebates related to contractual agreements to sell products to managed care organizations and pharmacy benefit managers at contractual rebate percentages in exchange for volume and / or market share. Chargebacks related to contractual agreements to sell products to government agencies and other indirect customers at contractual prices that are lower than the list prices the Company charges wholesalers. When these government agencies or other indirect customers purchased products through wholesalers at these reduced prices, the wholesaler charged the Company for the difference between the prices they paid the Company and the prices at which they sold the products to the indirect customers. The Company estimated the rebates and chargebacks it expected to be obligated to provide and deducted these estimated amounts from its gross product revenue at the time the revenue was recognized. The Company' s estimates were based upon (i) the Company' s contracts, (ii) estimates regarding the payor mix based on third- party data and utilization, (iii) inventory held by distributors and (iv) estimates of inventory held at the retail channel. Other discounts included the Company' s co- pay assistance coupon programs for commercially- insured patients meeting certain eligibility requirements. The calculation of the accrual for co- pay assistance is based on an estimate of claims and the cost per claim that the Company expected to pay associated with product that had been recognized as revenue. F- 12 Consistent with industry practice, customers were generally allowed to return products within a specified period of time before and after its expiration date. The Company estimated the amount of product that would be returned and deducted these estimated amounts from its gross revenue at the time the revenue was recognized. The information utilized to estimate the returns provision included: (i) actual return history (ii) historical return industry information regarding rates for comparable pharmaceutical products and product portfolios, (iii) external data with respect to inventory levels in the wholesale distribution channel, (iv) external data with respect to prescription demand for products and (v) remaining shelf lives of products at the date of sale~~ . Contract Assets and Contract Liabilities The Company did not have any contract assets (unbilled receivables) related to product sales as of December 31, **2024 or** 2023 ~~or 2022~~, as customer invoicing generally ~~occured~~ **occurred** before or at the time of revenue recognition. ~~The~~ **Similarly, the** Company did not have any contract assets (unbilled receivables) related to its ~~license~~ **royalty** revenues as of December 31, **2024 or** 2023 ~~or 2022~~. **F- 11** The Company did not have any contract liabilities as of December 31, **2024 or** 2023 ~~or 2022~~, as the Company did not receive payments in advance of fulfilling its performance obligations to its customers. ~~o~~ **n** . Collaboration arrangements The Company analyzes its collaboration arrangements to assess whether they are within the scope of ASC Topic 808, Collaborative Arrangements (ASC 808), to determine whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards that are dependent on the commercial success of such activities. To the extent the arrangement is within the scope of ASC 808, the Company will assess whether aspects of the arrangement between it and their collaboration partner are within the scope of other accounting literature. ~~p~~ **o** . ~~Research and development costs~~ Research and development expenses **All** ~~include costs directly attributable to the conduct of research and development programs, including the cost of clinical trials, clinical trial supplies, salaries, share- based compensation~~ expenses ~~, payroll taxes and other employee benefits, lab expenses, consumable equipment and consulting fees. All costs~~ associated with research and ~~developments~~ **development** are expensed as incurred. ~~q~~ **Research and development expenses include expenses directly attributable to conducting the Company' s research and development programs, including expenses incurred under arrangements with third parties, such as contract research organizations, contract development and manufacturing organizations and consultants as well as the cost of clinical trials, clinical trial supplies, salaries, share- based compensation expenses, payroll taxes and other employee benefits. Expenses are considered incurred based on the evaluation of the progress to completion of specific tasks under each contract using information and data provided by the service providers and vendors or the Company' s estimate of the level of service that has been performed at each reporting date, whereas payments are dictated by the terms of each agreement, such as the successful enrollment of a certain number of patients, site initiation, and the completion of clinical trial milestones. As such, depending on the timing of the payment relative to the receipt of goods or services, management may record prepaid expenses, accrued expenses, or other assets. p** . Fair value measurement Fair value is based on the price that would be received from the sale of an asset or that would be paid to transfer a liability in an orderly transaction between

market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, the guidance establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described as follows: Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data or active market data of similar or identical assets or liabilities. Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs. In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers counterparty credit risk in its assessment of fair value. ~~r~~ **q** . Income taxes ~~: F- 13 •~~ Deferred taxes Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is recognized to the extent **F- 12** that it is more likely than not that the deferred taxes will not be realized in the foreseeable future. Given the Company' s losses, the Company has provided a full valuation allowance with respect to its deferred tax assets. ~~•~~ Uncertainty in income tax The Company follows a two- step approach in recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the available evidence indicates that it is more likely than not that the position will be sustained based on technical merits. If this threshold is met, the second step is to measure the tax position as the largest amount that has more than a 50 % likelihood of being realized upon ultimate settlement. ~~s~~ **r** . Net loss per share Net loss per share, basic and diluted, is computed on the basis of the net loss from continuing operations for the period divided by the weighted average number of **shares of** common ~~shares~~ **stock** outstanding during the period. Diluted net loss per share is based upon the weighted average number of **shares of** common stock and of common stock equivalents outstanding when dilutive **. The Company has issued the Pre- Funded Warrants, which do not expire until they are exercised in full (see" Note 12 — Mezzanine Equity and Shareholder' s Equity"). Pursuant to the guidance of ASC 260- 10, the Company concluded that because the equity-classified Pre- Funded Warrants were immediately exercisable for little or no cash consideration, due to the non-substantive exercise price, all of the necessary conditions for issuance of the underlying shares of common stock had been met when the Pre- Funded Warrants were issued. Therefore, the underlying shares of common stock should be included in the denominator for both the calculation of basic and diluted net loss per share of common stock for the year ended December 31, 2024** . The following stock options, restricted stock units (" RSUs ") and warrants were excluded from the calculation of diluted net loss per share because their effect would have been anti- dilutive for the periods presented ~~(data presented as numbers of shares)~~ : Year ended December 31, **(in numbers of shares)** ~~20232022Outstanding~~ ~~----~~ **20242023Outstanding** stock options and RSUs **2, 335, 019** 1, 205, 516 ~~313, 403~~ Warrants27, 509 27, 509 ~~t. Discontinued Operations The Company accounted for the sale of the MST Franchise in accordance with ASC 205, Discontinued Operations, and ASU No. 2014- 08, Reporting of Discontinued Operations and Disclosures of Disposals of Components of an Entity. The Company followed the held- for- sale criteria as defined in ASC 360 Property, Plant and Equipment and ASC 205. ASC 205 requires that a component of an entity that has been disposed of or is classified as held for sale and has operations and cash flows that can be clearly distinguished from the rest of the entity be reported as assets held for sale and discontinued operations. In the period a component of an entity has been disposed of or classified as held for sale, the results of operations for the periods presented are reclassified into separate line items in the consolidated statements of operations. Assets and liabilities are also reclassified into separate line items on the related consolidated balance sheets for the periods presented. Non- cash items presented in the statement of cash flows and related to discontinued operations are presented in Note 4- Discontinued Operations. ASU 2014- 08 requires that only a disposal of a component of an entity, or a group of components of an entity, that represents a strategic shift that has, or will have, a major effect on the reporting entity' s operations and financial results be reported in the consolidated financial statements as discontinued operations. ASU 2014- 08 also provides guidance on the financial statement presentations and disclosures of discontinued operations. Due to the sale of the MST Franchise during the first quarter of 2022, in accordance with ASC 205, the Company has classified the results of the MST Franchise as discontinued operations in its consolidated statements of operations and cash flows for all periods presented (see Note 4, Discontinued Operations). All disposed assets and liabilities associated with the MST Franchise were therefore classified as assets and liabilities of discontinued operations in the Company' s consolidated balance sheets for the periods presented. All amounts included in the notes to the consolidated financial statements relate to continuing operations unless otherwise noted. F- 14 u~~ . Concentration of credit risks Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and cash equivalents, restricted cash, marketable securities and accounts receivables. The Company deposits cash and cash equivalents with highly rated financial institutions and, as a matter of policy, limits the amounts of credit exposure to any single financial institution. In addition, all marketable securities carry a high credit rating or are government insured. The Company has not experienced any material credit losses in these accounts and does not believe it is exposed to significant credit risk on these instruments. Existing royalty receivables relate to one customer, but do not present a credit risk due to **their** immaterial nature. **There was no** ~~Restricted~~ **restricted** cash as of December 31, ~~2023~~ **2024 , thereby** ~~was $ 0. 1 million which does not present~~ **presenting** ~~a~~ **no** credit risk ~~due to its immaterial nature~~ . ~~v~~ **t** . Employee Retention Tax Credit In March 2020, the Coronavirus Aid, Relief, and Economic Security Act (the " CARES Act ") was signed into law, providing numerous tax provisions and other stimulus measures, including employee retention tax credits (" ERTC "). The ERTC was a refundable tax credit against certain employment taxes for qualifying businesses retaining employees on their payroll during the COVID- 19 pandemic and allowed eligible employers to claim a refundable tax credit against the employer share of Social Security tax equal to 70 % of the qualified wages they paid to employees, initially from March 27, 2020 until June 30, 2021, and extended through September 30, 2021. During 2022, the Company filed returns with the Internal Revenue Service (IRS) and claimed

credits totaling $ 1. 3 million. During the first quarter of 2023, the Company received the full $ 1. 3 million. As there is no authoritative guidance under U. S. GAAP on accounting for government assistance to for- profit business entities, the **F- 13** Company has accounted for the ERTC by analogy to International Accounting Standard, Accounting for Government Grants and Disclosure of Government Assistance (" IAS 20 "). The ERTC filings remain open to examination by the IRS until April 2025, and as such the Company has recorded the $ 1. 3 million received within other **current** liabilities on the consolidated balance sheet as of December 31, ~~2023~~ **2024** until such a time that the Company has reasonable assurance that the conditions associated with the grants have been met. ~~w~~ **u** . Warrants The Company accounts for warrants as either equity- classified or liability- classified instruments based on an assessment of the warrant' s specific terms and applicable authoritative guidance in ASC Topic 480, Distinguishing Liabilities from Equity (" ASC 480 ") and ASC Topic 815, Derivatives and Hedging (" ASC 815 "). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and ~~whether the warrants~~ meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company' s own common stock, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent reporting period end date while the warrants are outstanding. For issued warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid- in capital at the time of issuance. For issued warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognized as a non- cash gain or loss on the statements of operations. Liability- classified warrants are required to be accounted for at fair value both on the date of issuance and on subsequent accounting period ending dates, with all changes in fair value after the issuance date recorded as a component of other income, net in the statements of operations. As of December 31, **2024 and** 2023 **,** all of the Company' s outstanding warrants were equity- classified warrants. ~~x~~ **v** . Newly issued and recently adopted accounting pronouncements: Recent Accounting Guidance Issued ~~:~~ In June 2016, the FASB issued **ASU** ~~Accounting Standards Update~~ No. 2016- 13, " Financial Instruments- Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments " (ASU 2016- 13), which requires companies to measure credit losses of financial instruments, including customer accounts receivable and marketable securities, utilizing a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Subsequent to the issuance of ASU 2016- 13, the FASB issued several additional **ASUs** ~~Accounting Standard Updates F- 15~~ to clarify implementation guidance, provide narrow- scope improvements and provide additional disclosure guidance. As a smaller reporting company, the Company adopted ASU 2016- 13 effective January 1, 2023, and there was no material impact on the consolidated financial statements upon adoption. In ~~March~~ **December** ~~2020~~ **2022** , the FASB issued ~~Accounting Standards Update No. 2020- 04," Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" (~~ASU ~~2020- 04), which provides guidance to alleviate the burden in accounting for reference rate reform by allowing certain expedients and exceptions in applying generally accepted accounting principles to contracts, hedging relationships, and other transactions impacted by reference rate reform. The provisions of ASU 2020- 04 apply only to those transactions that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. Adoption of the provisions of ASU 2020- 04 was optional through December 31, 2022. In December 2022, the FASB issued Accounting Standards Update~~ No. 2022- 06," Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848" (ASU 2022- 06), which provides extension of the sunset date of Topic 848 from December 31, 2022 ~~,~~ to December 31, 2024. The Company is currently evaluating the impact of ASU 2020- 04 and ASU 2022- 06 on its consolidated financial statements. Currently, the Company does not expect the adoption of the new standard to have a material impact to the consolidated financial statements. In ~~August~~ **November** ~~2020~~ **2023** , the FASB issued ASU No. ~~2020~~ **2023** - ~~06~~ **07** , ~~" Debt~~ **" Segment Reporting (Topic 280)** — ~~Debt with Conversion and Other Options~~ **Improvements to Reportable Segment Disclosures"** (~~Subtopic 470~~ **ASU 2023** - ~~20~~ **07**) ~~and Derivatives and Hedging — Contracts in Entity' s Own Equity (Subtopic 815- 40): Accounting for Convertible Instruments and Contracts in an Entity' s Own Equity " (" ASU 2020- 06 ")~~ , **to improve reportable segment disclosure** ~~which simplifies the accounting for convertible instruments by eliminating the requirement~~ **requirements** ~~to separately account for embedded conversion features as an equity component in certain circumstances. A convertible debt instrument will be reported as a single liability instrument with no separate accounting for an embedded conversion feature unless separate accounting is required for an embedded conversion feature as a derivative or under the substantial premium model. The ASU simplifies the diluted earnings per share calculation by requiring that an entity use the if- converted method and that the effect of potential share settlement be included in diluted earnings per share calculations. Further~~ , **primarily through** ~~the ASU requires~~ enhanced disclosures about ~~convertible instruments~~ **significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 31, 2024** . The Company adopted **the standard** ~~ASU 2020- 06~~ as of ~~January 1~~ **December 31** , ~~2022~~ **2024** ~~and~~ **. See Note 15 in** ~~there~~ -- **the accompanying notes to** ~~was no material impact on~~ the consolidated financial ~~statements~~ - **statement** ~~upon adoption~~ **for further information** . In December 2023, the FASB issued ASU No. 2023- 09," Income Taxes (Topic 740) — Improvements to Income Tax Disclosures" (" ASU 2023- 09"), which is intended to enhance the transparency and decision usefulness of income tax disclosures. Public business entities are required to adopt this standard for annual fiscal periods beginning after December 31, 2024 and early adoption is permitted **. The Company is evaluating the impact the adoption of this guidance will have on its consolidated financial statements and related disclosures. In November 2024, the FASB issued ASU No. 2024- 03," Comprehensive Income (Topic 220) — Disaggregation of Income Statement Expenses" (" ASU 2024- 03"), to improve financial reporting by requiring disclosures in the notes to financial F- 14 statements about specific types of expenses included in the expense captions presented on the face of the statement of operations. The requirements of the ASU, as clarified by ASU 2025- 01 issued in January 2025, are effective for annual reporting periods beginning after December**

15, 2026 and for interim reporting periods beginning after December 15, 2027, with early adoption permitted. The requirements will be applied prospectively with the option for retrospective application . The Company is evaluating the impact the adoption of this guidance will have on its consolidated financial statements and related disclosures. NOTE 3- STRATEGIC AGREEMENTS In April 2021, the Company entered into an Evaluation and Option Agreement (the " Option Agreement ") with Tay. Pursuant to the Option Agreement, Tay granted the Company an exclusive option to obtain certain exclusive worldwide rights to research, develop and commercialize products containing Tay' s BET inhibitor compounds for the treatment of any disease, disorder or condition in humans. Pursuant to the Option Agreement, the Company agreed to use commercially reasonable efforts to stabilize, develop and manufacture a product with a pan- BD BET inhibitor as its active ingredient and Tay agreed to provide a mutually agreed data package and select new chemical entity development candidate from its highly selective BET inhibitor compounds (the" Oral BETi Compounds"). The Company paid a $ 1. 0 million non- refundable cash payment to Tay upon execution of the Option Agreement, 50 % of which was to be used by Tay in the development of the Oral BETi Compounds. Under the terms of the Option Agreement, the Company' s option (the" Oral Option") with respect to the Oral BETi Compounds was to expire on June 30, 2022 (the" Option Term"), but in June 2022, the Company and Tay entered into a Letter Agreement (the " Letter Agreement ") to extend the Option Term to February 28, 2023. Pursuant to the terms of the Letter Agreement, the Company paid Tay $ 386, 366 (£ 300, 000) on June 28, 2022 to extend the Option Term. In addition, on August 29, 2022, the Company made a second payment to Tay of $ 997, 407 (£ 850, 000) pursuant to the terms of the Letter Agreement following the discovery of potential Oral BETi Compounds for further development. Both payments were recorded as research and development expense. On February 27, 2023, the parties entered into an additional Letter Agreement (the" Second Letter Agreement") pursuant to which the Option Term was extended to April 30, 2023. As consideration for the extension of the Option Term, the Company paid Tay $ 250, 000 upon the execution of the Second Letter Agreement. Per the terms of the Second Letter Agreement, this fee was deducted from the upfront fee paid by the Company to Tay following the Company' s exercise of the Oral Option, as described below. On August 6, 2021, the Company exercised its option with respect to the ~~VYN201~~ **repibresib** program and, on August 9, 2021, the parties entered into a License Agreement (the " ~~VYN201~~ **Repibresib** License Agreement ") granting the Company a worldwide, exclusive license that is sublicensable through multiple tiers to exploit certain of Tay' s pan- BD BET inhibitor compounds in all fields. The Company has the sole responsibility for development, regulatory, marketing and commercialization activities to be conducted for the licensed products at its sole cost and discretion. The Company is required to use commercially reasonable efforts to develop and, if approved, commercialize such products. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, the Company may develop a product that contains or incorporates a specific BET inhibitor, whether alone or in combination with other active ingredients, in any form, formulation, presentation, or dosage, and for any mode of administration. The Company made a $ 0. 5 million cash payment to Tay in connection with entering into the ~~VYN201~~ **Repibresib** License Agreement. Pursuant to the ~~VYN201~~ **Repibresib** License Agreement, the Company has agreed to make cash payments to Tay **of up to $ 15. 75 million** upon the achievement of specified clinical development and regulatory approval milestones with respect to each licensed topical product in the United States ~~of up to $ 15. 75 million~~ for all indications **, of which $ 1. 8 million has been paid or accrued through December 31, 2024** . Tay is entitled to additional milestone payments upon the achievement of regulatory approvals in certain non- U. S. jurisdictions. In addition, with respect to any products the Company commercializes under the ~~VYN201~~ **Repibresib** License Agreement, the Company will pay tiered royalties to Tay on net sales of such licensed products by the Company, its affiliates, or sublicensees, of 5 %, 7. 5 % and 10 % based on tiered annual net sales bands subject to specified reductions. The Company is ~~obligated~~ **Pursuant** to ~~pay royalties until~~ the ~~latest~~ **Repibresib License Agreement, VYNE was granted a sublicense under certain intellectual property which was licensed to Tay by the University** of **Dundee** (~~1~~ **" Dundee "**) **pursuant to a certain** ~~the tenth anniversary of the first commercial sale of the relevant licensed~~ **license** ~~product~~ **agreement between Tay and Dundee effective as of July 24** , **2020 and amended and restated on October 8, 2021** (~~2~~ **the " Head License "**) **. On February 13, 2025, Tay and Dundee entered into an agreement for** the ~~expiration~~ **termination** of the **Head** ~~last valid claim of the licensed~~ **License and assignment of such intellectual property from Dundee to Tay. Upon termination of the Head License, the Repibresib License Agreement was accordingly amended to reflect the assignment of the intellectual property to Tay upon its** ~~patent~~ **payment in full to Dundee. The amendment does not change any of Tay' s or VYNE' s** rights ~~covering such licensed product in such country and (3) the expiration of regulatory exclusivity for~~ **or obligations under** the ~~relevant~~ **Repibresib** ~~licensed~~ **License Agreement** ~~product in the relevant country~~ , ~~on a~~ **except that any references to the Head** ~~licensed~~ **License** ~~product~~ **were removed and any obligations owed** by ~~licensed product and country- by- country basis~~ **VYNE to Dundee with respect to repibresib are now owed to Tay** . On April 28, 2023, the Company exercised the Oral Option and entered into a license agreement (the" VYN202 License Agreement") with Tay granting the Company a worldwide, exclusive license that is sublicensable through multiple tiers to exploit certain of Tay' s Oral BETi Compounds in all fields. The Company has the sole responsibility for development, regulatory, marketing and commercialization activities to be conducted for the licensed products at the sole cost and discretion of the Company, and shall use commercially reasonable efforts to develop and, if approved, commercialize such products. VYNE may sublicense its rights to a third party without Tay' s consent. Pursuant to the License Agreement, a joint development committee consisting of one representative from each party reviews the progress of the development plan for the licensed products. The Company made a cash payment of $ 3. 75 million, after deducting the $ 250, 000 paid in February 2023, to Tay in connection with entering into the VYN202 License Agreement. This payment was recorded as a research and development expense in the period paid. Pursuant to the terms of the VYN202 License Agreement, the Company agreed to make cash payments to Tay of up to $ 43. 75 million upon the achievement of specified clinical development and regulatory approval milestones with respect to each licensed oral product in the United States for all

indications **, of which $ 1. 3 million has been paid or accrued through December 31, 2024** . Tay is entitled to additional milestone payments upon the achievement of regulatory approvals in certain non- U. S. jurisdictions. In addition, with respect to any products the Company commercializes under the VYN202 License Agreement, the Company will pay tiered royalties to Tay on net sales of such licensed products by the Company, its affiliates, or sublicensees, of 5 %, 7. 5 % and 10 % based on tiered annual net sales bands subject to specified reductions. The Company is obligated to pay royalties until the latest of (1) the tenth anniversary of the first commercial sale of the relevant licensed product, (2) the expiration of the last valid claim of the licensed patent rights covering such licensed product in such country and (3) the expiration of regulatory exclusivity for the relevant licensed product in the relevant country, on a licensed product- by- licensed product and country- by- country basis. Sale of the MST Franchise On January 12, 2022, VYNE entered into an Asset Purchase Agreement (the " Purchase Agreement ") with Journey ~~Medical Corporation (" Journey ")~~ pursuant to which the Company sold its ~~Molecule Stabilizing Technology franchise, including AMZEEQ, ZILXI, and FCD105 (referred to collectively as the "~~ MST Franchise ~~"),~~ to Journey. The assets included certain contracts, including the license agreement with Cutia Therapeutics (HK) Limited (" Cutia "), inventory and intellectual property related to the MST Franchise (together, the " Assets "). Pursuant to the Agreement, Journey assumed certain liabilities of the MST Franchise. There were no current or long- term liabilities recorded by the Company which were transferred to Journey. Pursuant to the Purchase Agreement, the Company received an upfront payment of $ 20. 0 million at the closing of the sale of the MST franchise and received an additional $ 5. 0 million deferred payment in January 2023. The Company is also eligible to receive sales milestone payments of up to $ 450. 0 million in the aggregate upon the achievement of specified levels of net sales on a product- by- product basis, beginning with annual net sales exceeding $ 100. 0 million (with products covered in three categories (1) AMZEEQ (and certain modifications), (2) ZILXI (and certain modifications), and (3) FCD105 ~~(~~ and other products covered by the patents being transferred, including certain modifications). In addition, the Company is entitled to receive certain payments from any licensing or sublicensing of the assets by Journey outside of the United States. **F- 15** NOTE 4 – DISCONTINUED OPERATIONS The Company determined that the sale of the MST Franchise represented a strategic shift that had a major effect on the business and therefore the MST Franchise met the criteria for classification as discontinued operations. Accordingly the MST Franchise is reported as discontinued operations in accordance with ASC 205- 20, Discontinued Operations. ~~The Company recognized~~ **In accordance with ASC 205- 20, only expenses specifically identifiable and related to** a ~~gain on~~ **business to be disposed may be presented in discontinued operations. As such,** the ~~sale of~~ **general and administrative expenses in discontinued operations include corporate costs incurred directly to solely support** the MST Franchise ~~upon closing~~ . The negative product sales for the ~~years~~ **year** ended December 31, 2023 **was** ~~and 2022 were~~ primarily attributable to a change in the product returns provision following the sale of the MST Franchise. The following table presents the combined results of discontinued operations of the MST Franchise: Year ended December 31, (in thousands) ~~20232022Product~~ **20242023Product** sales, net **$ —** $ (525) ~~$ (1, 844) Cost of goods sold — 80~~ Operating expenses: ~~Selling, general~~ **General** and ~~administrative55~~ **administrative27** ~~259~~ **55** Total operating ~~expenses55~~ **expenses27** ~~259~~ **55** Loss from discontinued operations **, before taxes (27)** (580) ~~(2, 183) Gain on the sale of the MST Franchise — 12, 918 Income (loss) from discontinued operations, before income taxes (580) 10, 735~~ Income tax expense — — Net ~~income (~~ loss ~~)~~ from discontinued operations $ (**27) $ (** 580) ~~$ 10, 735 The following table presents non- cash items related to discontinued operations, which are included in the Company' s consolidated statement of cash flows for the year ended December 31, 2022: F- 16 Year ended December 31, (in thousands) 2022Cash Flows From Operating Activities: Stock- based compensation (income) expense * $ (352) Gain on the sale of the MST Franchise (12, 918) Total non- cash items of discontinued operations $ (13, 270) Supplemental disclosure of cash flow information: Amount due from sale of MST Franchise $ 5, 000 * Income from stock- based compensation is related to forfeitures.~~ There were no non- cash items related to discontinued operations for the ~~year~~ **years** ended December 31, **2024 and** 2023. The ~~following table presents the gain on the sale of the MST Franchise: (in thousands) Year ended December 31, 2022Cash proceeds20, 000Proceeds received in January 20235, 00025, 000 Less transaction costs (4, 334) Less carrying value of assets sold (7, 748) Gain on sale, before income taxes12, 918Income tax expense — Gain on sale net of tax $ 12, 918 In accordance with ASC 205- 20, only expenses specifically identifiable and related to a business to be disposed may be presented in discontinued operations. As such, the research and development, marketing, selling and general and administrative expenses in discontinued operations include corporate costs incurred directly to solely support the MST Franchise. The potential~~ milestone payments for sales of ZILXI, AMZEEQ and FCD105 represent contingent consideration. Contingent consideration has been accounted for as a gain contingency in accordance with ASC 450, Contingencies, and will be recognized in earnings in the period when realizable. NOTE 5- FAIR VALUE MEASUREMENTS The Company' s financial assets that are measured at fair value as of December 31, **2024 and** 2023 are classified in the tables below in one of the three categories described in" Note 2 (~~q~~ **p**) ~~-~~ — Fair value measurement" above: December 31, ~~2023~~ **2024** (in thousands) Level 1Level 2Level 3TotalCash **and cash equivalents $ 19, 926 $ — $ — $ 19, 926 Marketable securities — 41, 590 — 41, 590 Total assets $ 19, 926 $ 41, 590 $ — $ 61, 516 December 31, 2023 (in thousands) Level 1Level 2Level 3TotalCash and cash** equivalents $ 20, 353 $ 10, 267 $ — $ 30, 620 Marketable securities — 62, 633 — 62, 633 Total assets $ 20, 353 $ 72, 900 $ — $ 93, 253 ~~F- 17 As of December 31, 2022, the Company had $ 28. 0 million of cash equivalents classified as Level 1 financial instruments and no marketable securities.~~ Other financial instruments consist of trade receivables, trade payables and accrued expenses. The fair value of these financial instruments approximates their carrying values due to their short- term nature. In determining the fair value of its Level 2 investments, the Company relied on quoted prices for identical securities in markets that are not active. These quoted prices were obtained by the Company with the assistance of a third- party pricing service based on available trade, bid and other observable market data for identical securities. **F- 16FOAMIX PHARMACEUTICALS LTD. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) (U. S. dollars in thousands, except share and per share amounts)** NOTE 6- MARKETABLE SECURITIES **As** ~~Marketable securities as~~ of December 31, **2024 and** 2023 **, marketable securities** consisted of U. S **.** Government and agency ~~bonds~~ **debt**

securities as well as U. S **.** Treasury bills ~~. The Company did not hold any marketable securities as of December 31, 2022~~ . The following tables sets forth the Company' s marketable securities: December 31, (in thousands) ~~2023U~~ **20242023U** . S. Government and agency ~~bonds~~ **debt securities $ 10, 572** $ 31, 886 U. S. Treasury ~~bills30~~ **bills31 , 018 30** , 747 Total $ **41, 590 $** 62, 633 As of December 31, **2024 and** 2023, the ~~fair value,~~ amortized cost, gross unrealized gains, ~~and~~ gross unrealized losses **and fair value** were as follows: December 31, ~~2023~~ **2024** (in thousands) Amortized CostGross Unrealized GainGross UnrealizedLossFairValueU. S **.** Government and agency ~~bonds31~~ **debt securities $ 10, 568 $ 4 $ — $ 10, 572 U. S. Treasury bills31, 002 16 — 31, 018 Total $ 41, 570 $ 20 $ — $ 41, 590 December 31, 2023 (in thousands) Amortized CostGross Unrealized GainGross UnrealizedLossFairValueU. S. Government and agency debt securities $ 31** , 866 **$** 30 **$** (10) **$** 31, 886 U. S **.** Treasury bills30, 742 5 — 30, 747 Total $ 62, 608 $ 35 $ (10) $ 62, 633 As of December 31, **2024 and** 2023, **$ 41. 6 million and** $ 62. 6 million **, respectively,** of the marketable securities were in an unrealized gain position. The Company determined that unrealized gains and losses on marketable securities were primarily due to interest rate changes. No allowance for credit losses related to any of these securities was recorded for the ~~year~~ **years** ended December 31, **2024 and** 2023. All maturities are less than 12 months. NOTE 7- PROPERTY AND EQUIPMENT ~~During~~ **The following table sets forth** the ~~year ended~~ **Company' s property and equipment, net as of** December 31, ~~2022~~ **2024 :** ~~, the Company disposed of fixed assets in the net amount of $ 0. 3 million. Loss on disposal of fixed assets during the year ended~~ December 31, ~~2022 related to the write-~~ **(in thousands) 2024Office equipment $ 117 Property and equipment117 Less: Accumulated depreciation (4) Property and equipment, net $ 113 The Company had no property and equipment as** ~~off~~ **of December 31, 2023** ~~of laboratory and leasehold improvements due to a reduction in office space in Israel and the United States and is reflected within operating expenses on the consolidated statements of operations~~ . **F- 17** Depreciation expense totaled ~~zero~~ **$ 4 thousand** and $ 0 ~~. 1 million~~ for the years ended December 31, **2024 and** 2023 ~~and 2022~~ , respectively **, which is included within general and administrative expenses on the consolidated statements of operations and comprehensive loss** . NOTE 8- ACCRUED EXPENSES Accrued expenses consisted of the following: ~~F- 18~~ December 31, ~~20232022Product~~ **(in thousands) 20242023Product** sales provisions **(1)** $ 2, ~~250~~ **107** $ 2, ~~695~~ **250** Research and ~~development990~~ --- **development** ~~987~~ **(2) 6, 622 990** Professional ~~services648~~ -- **services491** ~~519~~ **648** ~~Other231~~ -- **Other52** ~~180~~ **231** Total ~~Accrued~~ **accrued** ~~Expenses~~ **expenses $ 9, 272** $ 4, 119 ~~$ 4~~ **(1) Comprised primarily of liabilities related to product returns associated with the MST Franchise. (2) Comprised primarily of accruals related to fees for contract research organizations** , ~~381~~ **investigative sites, and other service providers that assist in conducting preclinical research studies and clinical trials.** NOTE 9 – OPERATING LEASE As of December 31, ~~2023~~ **2024** , the Company had an operating lease for its principal executive office in Bridgewater, New Jersey. ~~On March 13, 2019, the Company signed an amendment to the original lease agreement for its principal executive office in Bridgewater, New Jersey (the " Lease Amendment "). The Lease Amendment included an extension of the lease period of the 10, 000 square feet previously leased under the original agreement (the " Original Space ") and an addition of 4, 639 square feet (the " Additional Space "). The Company entered the Additional Space following a period of preparation by the lessor completed during September 2019 (the " Commencement Date "). The term included in the Lease Amendment expired on September 30, 2022. Pursuant to the Lease Amendment, the Company recognized an additional right of use asset and liability in the amount of $ 0. 7 million. The Additional Space was considered a new lease agreement and was recognized as a right of use asset and liability, in the amount of $ 0. 3 million, on the Commencement Date. The lease liability matured on September 30, 2022.~~ In November 2022, the Company transitioned to a smaller corporate headquarters and signed a Sublease Agreement (the " Sublease ") to sublease approximately 5, 755 square feet of office space (the " Leased Premises ") in Bridgewater, New Jersey through September 30, 2023. ~~In addition~~ **Following the termination of the Sublease** , the Company signed a Lease Agreement (the " Master Lease ") to lease the Leased Premises ~~following the termination of the Sublease~~ through September 30, 2025. The Company recorded a right of use asset of $ 0. 2 million and liability of $ 0. 3 million at the commencement date of the Master Lease on October 1, 2023 ~~. The Company' s lease agreement for its former office space in Israel was a one year lease that expired in December 2022. Given the short- term nature of the lease term, the Company did not recognize a right- of- use asset or liability~~ . The components of lease expense are as follows: **Year ended December 31,** (in thousands) ~~Year~~ **2024Year** Ended ~~December 31, 2023Year Ended December 31, 2022Operating~~ **2023Operating** lease expense $ **126 $** 32 ~~$ 271~~ Short- term lease expense ~~$ —~~ 86 ~~$ 217~~ Variable lease ~~expense~~ **expense10** ~~$~~ (16) ~~$ 69~~ Total lease expense $ **136 $** 102 ~~$ 557~~ Variable lease expense primarily consists of utility and other common area maintenance (" CAM") charges. For the year ended December 31, 2023 the variable lease expenses included a reversal of **immaterial** expense related to CAM charges. Lease expense is included within general and administrative expenses on the consolidated statements of operations **and comprehensive loss** . **Supplemental** ~~Operating~~ **operating** cash flows **information is** ~~for amounts included in the measurement of lease liabilities are~~ as follows: ~~F- 19~~ Year ~~Ended~~ **ended** December 31, **(in thousands) 2024Year Ended** 2023Operating leases $ **126 $** 25 **F- 18** Supplemental **consolidated balance sheet** information related to leases ~~are~~ **is** as follows: **(in thousands)** December **31, 2024December** 31, 2023Operating lease right- of- use assets **$ 93** $ 207Operating lease liabilities $ **99 $** 214Weighted average remaining lease ~~term1~~ **term0 . 751** . 75Weighted average discount rate8. 00 % ~~There were no right-~~ **8. 00 % Maturities** of ~~- use assets or~~ lease liabilities as of December 31, ~~2022~~ **2024** ~~. Maturities of lease liabilities~~ are as follows: ~~2024~~ **(in thousands) Year ended December 31, 20242025** $ **101** ~~126 2025102~~ Total lease ~~payments228~~ **payments101** Less imputed interest (~~14~~ **2**) Total lease ~~liability~~ **liability99 Total** ~~$ 214 Current operating lease liabilities115 Non-~~ current operating lease ~~liabilities99~~ -- **liabilities** ~~Total lease liability~~ $ ~~214~~ **99** NOTE 10- EMPLOYEE SAVINGS PLAN The Company makes retirement savings plans available to all of its employees and those of its subsidiary, which are intended to qualify as deferred compensation plans under Section 401 (k) of the Internal Revenue Code (the " 401 (k) Plans "). The Company made contributions to these 401 (k) Plans during the years ended December 31, **2024 and** 2023 ~~and 2022~~ of $ 0. 1 million in each period. NOTE 11 – COMMITMENTS AND CONTINGENCIES Litigation and contingencies The Company may periodically become subject to legal proceedings and claims arising in connection with its business. As of December 31, ~~2023~~ **2024** , there were no claims or actions pending against

the Company that, in the opinion of management, are likely to have a material adverse effect on the Company. NOTE 12- MEZZANINE AND SHAREHOLDERS' EQUITY As of December 31, ~~2023~~ **2024** , the Company' s Amended and Restated Certificate of Incorporation (as amended, the" Certificate of Incorporation") authorized the Company to issue 20, 000, 000 shares of preferred stock, par value $ 0. 0001 per share. There were **no** ~~zero and 3, 000~~ shares of ~~Series A Convertible Preferred~~ **preferred** ~~Stock~~ **stock** issued and outstanding as of December 31, **2024 and** 2023 ~~and December 31, 2022, respectively~~ . Shares of preferred stock may be issued from time to time in one or more series. The voting powers (if any), preferences and relative, participating, optional or other special rights, and the qualifications, limitations and restrictions of any series of ~~F- 20~~ preferred stock will be set forth in a Certificate of Designation filed pursuant to the Delaware General Corporation Law, as determined by the Company' s Board of Directors. On November 11, 2022, the Company entered into a Securities Purchase Agreement (the " Purchase Agreement ") with Mutual Fund Series Trust, on behalf of AlphaCentric LifeSci Healthcare Fund (~~the~~ " ~~Purchaser~~ **AlphaCentric** "), pursuant to which the Company issued on November 14, 2022, in a private placement transaction, an aggregate of 3, 000 shares of Series A Convertible Preferred Stock, par value $ 0. 0001 per share (the " Series A Preferred "), for an aggregate subscription amount equal to $ 300, 000. This transaction resulted in $ 89, 000 of issuance costs and net proceeds of $ 211, 000. The Company determined that the Series A Preferred should be classified as Mezzanine Equity (temporary equity outside of permanent equity), because the Series A Preferred more closely aligned with debt as the intent was for redemption by either the holder or the Company due to the favorable redemption terms. **F- 19** The Purchase Agreement required that the Company convene a meeting of stockholders for the purpose of presenting ~~to the Company' s stockholders~~ a proposal (the " Proposal ") authorizing the Company' s board of directors to approve a reverse stock split of its outstanding ~~Common~~ **common** ~~Stock~~ **stock** , with the recommendation of the board of directors that the Proposal be approved, and that the Company use reasonable best efforts to obtain approval of the Proposal. The meeting was convened on January 12, 2023, and the Proposal was approved. Additionally, the Purchase Agreement contained customary representations, warranties and agreements of the Company and **AlphaCentric** ~~the Purchaser~~ , and customary indemnification rights and obligations of the parties. Pursuant to the Purchase Agreement, the Company filed a Certificate of Designation of Preferences, Rights and Limitations of Series A Convertible Preferred Stock (the " Certificate of Designation ") with the Secretary of State of Delaware on November 14, 2022 designating 3, 000 shares out of the authorized but unissued shares of its preferred stock as Series A Preferred with a par value of $ 0. 0001 per share and establishing the rights, preferences and limitations of the Series A Preferred. The Certificate of Designation provided, among other things, that except as otherwise provided in the Certificate of Designation or as otherwise required by law, the Series A Preferred would have no voting rights (other than the right to vote as a class on certain matters as provided in the Certificate of Designation). However, pursuant to the Certificate of Designation, each share of Series A Preferred entitled the holder thereof (i) to vote on the Proposal and any proposal to adjourn any meeting of stockholders called for the purpose of voting on the Proposal, and (ii) to 1, 000, 000 votes per share of Series A Preferred on the Proposal and any such adjournment proposal. The Series A Preferred should, except as required by law, vote together with the common stock (and other issued and outstanding shares of preferred stock entitled to vote), as a single class; provided, however, that such shares of Series A Preferred should, to the extent cast on the Proposal or any such adjournment proposal, be automatically and without further action of the holders thereof voted in the same proportion as the shares of common stock (excluding abstentions and any shares of common stock that are not voted) and any other issued and outstanding shares of preferred stock of the Company entitled to vote (other than the Series A Preferred or shares of such other preferred stock, if any, not voted) are voted on the Proposal. In addition, the Series A Preferred were entitled to customary dividends and distributions when and if paid on shares of the common stock and were entitled to the voting rights discussed above. The Series A Preferred had preference over the common stock with respect to distribution of assets or available proceeds, as applicable, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or any other deemed liquidation event. The shares of Series A Preferred were convertible at the option of the holder, at a conversion price of $ 4. 68 per share (as adjusted for the reverse stock split), into shares of the Company' s common stock, at any time and from time to time from and after 15 business days following the earlier of (i) the date of the approval of the Proposal or (ii) the date the Company otherwise satisfied the Nasdaq listing requirements. The Company had the right to redeem the Series A Preferred at any time during the 15 business days following the approval of the Proposal (the" Company Redemption Period") at 120 % of the stated value. Each holder of Series A Preferred had the right to require the Company to redeem all or a portion of the Series A Preferred held by such holder following the expiration of the Company Redemption Period at 130 % of the stated value. In addition, the Company would automatically redeem all of the Series A Preferred within five business days following a delisting event as specified in the Certificate of Designation at 130 % of the stated value. On January 17, 2023, the Company redeemed all outstanding shares of its Series A Preferred, for an aggregate of $ 360, 000 paid to **AlphaCentric** ~~the sole holder of the Series A Preferred~~ . The redemption payment represented 120 % of the stated value of the Series A Preferred Stock pursuant to the Certificate of Designation. ~~F- 21~~ On January 17, 2023, the Company filed a Certificate of Elimination (the " Certificate ") with the Secretary of State of the State of Delaware with respect to the Series A Preferred **Stock** . The Certificate (i) eliminated the previous designation of 3, 000 shares of Series A Preferred **Stock** from the Company' s Amended and Restated Certificate of Incorporation, none of which were outstanding at the time of filing, and (ii) caused such shares of Series A Preferred **Stock** to resume their status as authorized but unissued and non- designated shares of preferred stock. Pursuant to the Certificate of Incorporation, the Company is authorized to issue 150, 000, 000 shares of common stock, par value $ 0. 0001 per share. Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when and if declared by the board of directors, subject to the prior rights of holders of all classes of preferred stock outstanding. The Company has never declared any dividends on common stock. **F- 20** On February 8, 2023, the Company' s Board of Directors approved a 1- for- 18 reverse stock split of the Company' s outstanding shares of common stock. The reverse stock split was effected on February 10, 2023 ~~at 5: 01 p. m. Eastern time~~ . At the effective time, every 18

issued and outstanding shares of the Company' s common stock were converted into one share of common stock. No fractional shares were issued in connection with the reverse stock split, and in lieu thereof, each ~~stockholder holding~~ **holder of** fractional shares was entitled to receive a cash payment (without interest or deduction) in an amount equal to such ~~stockholder~~ **holder** ' s respective pro rata share of the total net proceeds from the Company' s transfer agent' s sale of all fractional shares at the then- prevailing prices on the open market. The number of authorized shares of the Company' s common stock and the par value of each share of common stock remained unchanged. ~~The~~ **Unless noted, all common stock and per share amounts contained in the consolidated financial statements have been retroactively adjusted to reflect the 1- for- 18 reverse stock split. As of December 31, 2024, the** Company had reserved shares of common stock for future issuance as follows: ~~Year ended~~ **(in numbers of shares)** December 31, ~~2023~~**Shares** ~~2024~~**Shares** underlying outstanding ~~pre~~ **Pre** - ~~funded~~ **Funded** ~~warrants~~ **Warrants** ~~28~~ **27** , ~~482~~ **842** , ~~594~~ **740 Common stock options outstanding (Note 13) 1, 584, 304** Shares available for future grant under 2023 Plan (Note 13) 1, ~~129~~ **574** , **557** ~~856 Common stock options outstanding (Note 13) 744, 537~~ Outstanding restricted stock units (Note 13) ~~460~~ **750** , ~~979~~ **715** Shares available for grant under the Employee Stock Purchase Plan (Note 13) ~~101~~ **87** , ~~202~~ **122** Shares underlying other outstanding warrants 27, 509 ~~30~~ **Shares available for future grant under 2024 Inducement Plan (Note 13) 131** , ~~946~~ **866** , ~~677~~ **948** ~~Issuance~~ **Issuances** of **common** stock **and warrants** At- the- Market Equity Offering ~~Programs~~ - **Program** On August 12, 2021, the Company entered into a sales agreement (the" Cantor Sales Agreement") with Cantor Fitzgerald to sell shares of the Company' s common stock, from time to time, with aggregate gross sales proceeds of up to $ 50. 0 million through an at- the- market equity offering program under which Cantor Fitzgerald would act as the Company' s sales agent. Cantor Fitzgerald was entitled to compensation for its services equal to up to 3. 0 % of the gross proceeds of any shares of common stock sold under the Cantor Sales Agreement. During the year ended December 31, ~~2022, the Company issued and sold 143, 770 shares of common stock at a weighted average per share price of $ 11. 16 pursuant to the Cantor Sales Agreement for $ 1. 5 million in net proceeds. During the year ended December 31,~~ 2023, the Company issued and sold 34, 589 shares of common stock at a weighted average per share price of $ 4. 66 pursuant to the Cantor Sales Agreement for $ 0. 2 million in net proceeds. On February 27, 2024, the Company delivered notice to Cantor Fitzgerald to terminate the Cantor Sales Agreement. The Company cannot make any future sales of its common stock pursuant to the Cantor Sales Agreement. ~~F- 22~~ On March 1, 2024, the Company entered into a Sales Agreement (the " Cowen Sales Agreement ") with Cowen and Company, LLC, as sales agent (" Cowen ") under which the Company may offer and sell, from time to time at its sole discretion, shares of the Company' s common stock through Cowen in an at- the- market offering having an aggregate offering price up to $ 50. 0 million. Cowen is entitled to compensation for its services equal to 3. 0 % of the gross proceeds of any shares of common stock sold under the Cowen Sales Agreement. ~~Sales pursuant to~~ **The Company did not sell any shares of common stock under** the Cowen Sales Agreement **during** ~~may only take place once the Registration Statement on Form S- 3, of which the prospectus for such sales forms a part, is filed and declared effective by the Securities and Exchange Commission. Equity Line of Credit On March 15, 2022, the Company entered into a purchase agreement (the" Equity Purchase Agreement") with Lincoln Park Capital (" Lincoln Park") which provided that, upon the terms and subject to the conditions and limitations set forth therein, the Company could sell to Lincoln Park, at the Company' s discretion, up to $ 30. 0 million of shares of its common stock over the 36- month term of the Equity Purchase Agreement. Upon execution of the Equity Purchase Agreement, the Company issued 92, 644 shares of its common stock to Lincoln Park as commitment shares in accordance with the closing conditions contained within the Equity Purchase Agreement. The issuance of these~~ -- **the year ended December 31** ~~shares were specific incremental costs directly attributable to the proposed offering. The commitment shares were valued at $ 0. 9 million and recorded as an addition to equity for the issuance of common stock and treated as a reduction to equity as a cost of capital to be raised under the Equity Purchase Agreement. The Equity Purchase Agreement could be terminated by the Company at any time~~ , ~~at its sole discretion, without any additional cost or penalty. On October 30, 2023~~ **2024** , ~~the Company delivered notice to Lincoln Park terminating the Equity Purchase Agreement~~ . **Private Placement** On October 27, 2023, the Company entered into the Securities Purchase Agreement, pursuant to which the Company agreed to sell and issue to the Purchasers in the Private Placement (i) 10, 652, 543 shares of the Company' s common stock and (ii) with respect to certain Purchasers, Pre- Funded Warrants to purchase 28, 614, 437 shares of common stock in lieu of shares. The Stock Purchase Price ~~of common stock~~ was $ 2. 245 per share and the purchase price for the Pre- Funded Warrants was the Stock Purchase Price minus $ 0. 0001 per Pre- Funded Warrant. On November 1, 2023, the Company received gross proceeds of $ 88. 2 million from the Private Placement. This transaction resulted in $ 5. 5 million of issuance costs and net proceeds of $ 82. 7 million ~~as of December 31, 2023~~ . **F- 21** ~~The Company expects to use the proceeds from the Private Placement to advance its clinical programs and for general corporate purposes.~~ The Pre- Funded Warrants issued in the Private Placement will not expire until exercised in full. The Pre- Funded Warrants may not be exercised if the aggregate number of shares of common stock beneficially owned by the holder thereof immediately following such exercise would exceed a specified beneficial ownership limitation; provided, however, that a holder may increase or decrease the beneficial ownership limitation by giving 60 days' notice to the Company, but not to exceed any percentage in excess of 19. 99 %. As of December 31, 2023, ~~28~~ **131** , ~~482~~ **843 of Pre- Funded Warrants were exercised pursuant to a net exercise mechanism. During the year ended December 31** , ~~594~~ **2024, 639, 854 of Pre- Funded Warrants were exercised pursuant to a net exercise mechanism. As of December 31, 2024, 27, 842, 740** Pre- Funded Warrants remained outstanding. ~~Between the issuance and December 31, 2023, 131, 838 Pre- Funded Warrants were exercised.~~ Other Warrants As of December 31, **2024 and** 2023 ~~and December 31, 2022~~ , the Company had warrants to purchase an aggregate of 27, 509 shares of the Company' s common stock outstanding, with exercise prices of $ 8. 40 ~~and $ 76. 78 as of December 31, 2023 and 2022, respectively~~ , and an expiration date of July 29, 2026. These warrants were issued by Foamix (as defined below) in connection with a financing in July 2019 and were subsequently assumed by the Company in connection with the Merger (as defined below). Pursuant to the warrant certificate, the exercise price of the warrant will be proportionally adjusted in the event that the Company ~~distributes~~ **issues** common stock at a price per share less than the

exercise price (the" Down Round Feature"). During the ~~years~~ **year** ended December 31, 2023 ~~and 2022~~, the Down Round Feature was triggered due to the price per share received from the issuances of common stock. The Company calculated the value of the effect of Down Round Feature measured as the difference between the warrants' fair value, using the Black- Scholes- Merton option- pricing model, before and after the Down Round Feature was triggered using the original exercise price and the new exercise price. The difference in fair value of the effect of the Down Round Feature was immaterial and had an immaterial impact on net loss per share in the ~~periods~~ **period** presented. The ~~F- 23~~ exercise price will continue to be adjusted in the event the Company issues additional shares of common stock below the **then-** current exercise price, in accordance with the terms of the warrants. The Pre- Funded Warrants and ~~Warrants~~ **warrants** are classified as a component of permanent equity because they are freestanding financial instruments that are legally detachable and separately exercisable from the shares of common stock with which they were issued, are immediately exercisable, do not embody an obligation for the Company to repurchase its shares, and permit the holders to receive a fixed number of shares of common stock upon exercise. In addition, the Pre- Funded Warrants and ~~Warrants~~ **warrants** do not provide any guarantee of value or return. NOTE 13- SHARE- BASED COMPENSATION 2023 Equity Incentive Plan **The** ~~: On December 13, 2023, the~~ Company **maintains** ~~' s stockholders approved~~ the ~~Company' s~~ 2023 Equity Incentive Plan (the" 2023 Plan") **and** ~~. The Company~~ previously maintained the 2019 Equity Incentive Plan (the " 2019 Plan ") and 2018 Omnibus Incentive Plan (the" 2018 Plan"). Following stockholder approval **during the year ended December 31, 2023** , any shares then available for future grant under the 2019 Plan and 2018 Plan were allocated to the 2023 Plan **and no further grants could be made under the 2018 Plan and the 2019 Plan. In December 2024, stockholders approved a proposal to amend the 2023 Plan to further increase shares available for grant under the 2023 Plan by 1, 520, 000 shares** . As of December 31, ~~2023~~ **2024** , 1, ~~129~~ **574** , ~~856~~ **557** shares remained issuable under the 2023 Plan ~~, and no further grants will be made under the 2018 Plan or 2019 Plan~~. ~~2024 Inducement Plan~~ On February 28, 2024, the Board approved the Company' s 2024 Inducement Plan (the" Inducement Plan"). Pursuant to the Inducement Plan and Nasdaq Listing Rule 5635 (c) (4), the Company is permitted to grant equity awards as an inducement material to an individual' s entering into employment with the Company, subject to certain conditions (" Inducement Grants"). **In November 2024, the Board reduced the number of shares available to be issued under the Inducement Plan to one share.** As of ~~February 28~~ **December 31** , 2024, there **was one** ~~were 500, 000 shares~~ **share** available for future Inducement Grants. ~~2019 Employee Share Purchase Plan:~~ The Company has adopted an Employee Share Purchase Plan (" ESPP") pursuant to which qualified employees (as defined in the ESPP) may elect to purchase designated shares of the Company' s common stock at a price equal to 85 % of the lesser of the **F- 22** fair market value of the common stock at the beginning or end of each semi- annual share purchase period (" Purchase Period "). Employees are permitted to purchase the number of shares purchasable with up to 15 % of the earnings paid (as such term is defined in the ESPP) to each of the participating employees during the Purchase Period, subject to certain limitations under Section 423 of the U. S. Internal Revenue Code. As of December 31, ~~2023, 101, 202~~ **2024 , 87, 122** shares remained available for grant under the ESPP. During the years ended December 31, **2024 and** 2023 ~~and 2022~~, **14, 080 and** 15, 261 ~~and 7, 549~~ shares were ~~issued to~~ **purchased by** employees pursuant to the ESPP, respectively. Options and Restricted Stock Units (" RSUs") granted to employees and directors **For** ~~: In~~ the years ended December 31, **2024 and** 2023 ~~and 2022~~, the Company granted options and RSUs to employees and directors as follows: Year ended December 31, **2024Award amountExercise price rangeVesting periodExpirationOptions870, 000 $ 1. 96- $ 2. 401 year- 4 years10 yearsRSUs435, 000 — 4 years — Year ended December 31,** 2023Award amountExercise price rangeVesting periodExpirationOptions535, 000 $ 2. 701 year- 4 years10 yearsRSUs435, 000 — 4 years — **During the years** ~~F- 24 Year~~ ended December 31, **2024 and 2023** ~~2022Award amountExercise price rangeVesting periodExpirationOptions48~~, ~~861~~ **the fair value of options and RSUs granted to employees and directors was** $ ~~5~~ **2** . ~~62-~~ **6 million and** $ ~~10~~ **2** . ~~981 year-~~ 4 **million** ~~years10 yearsRSUs40~~, **respectively.** ~~339 — 4 years —~~ The fair value of ~~options and~~ RSUs granted **is based on the share price on grant date** ~~to employees and directors during 2023 and 2022 was $ 2. 4 million and $ 0. 8 million, respectively~~. One share of common stock will be issued upon settlement of each RSU that vests ~~. The fair value of RSUs granted to employees and directors is based on the share price on grant date~~. The fair value of each option granted is estimated using the Black- Scholes option pricing method. The volatility is based on a combination of historical volatilities of companies in comparable stages as well as companies in the industry, by statistical analysis of daily share pricing model. The risk- free interest rate assumption is based on observed interest rates appropriate for the expected term of the options granted in dollar terms. The Company' s management uses the expected term of each option as its expected life. The expected term of the options granted represents the period of time that granted options are expected to remain outstanding and is based on the simplified method. Under the simplified method, the expected life of an option is presumed to be the midpoint between the vesting date and the end of the contractual term. The Company used the simplified method due to the lack of sufficient historical exercise data to provide a reasonable basis upon which to otherwise estimate the expected life of the stock options. The underlying data used for computing the fair value of the options are as follows: Year ended December 31, ~~20232022Fair value of stock option~~ **20242023Exercise price $ 1. 96-** $ 2. **40** ~~18-~~ $ 2. ~~23 $ 3. 55- $ 7. 49Dividend~~ **70Dividend** ~~yield0~~ **yield —** % ~~0 —~~ % Expected volatility104. **00 %- 105. 73 % 104.** 42 %- 105. 64 % ~~73. 70 %- 74. 40 %~~ Risk- free interest ~~rate4~~ **rate3 . 95 %- 4. 32 % 4** . 04 ~~% 2. 20 %- 2. 92~~ % Expected term6 years6 years **F- 23** Modification of share- based compensation ~~:~~ On November 10, 2019, Menlo Therapeutics Inc. (" Menlo") entered into a merger agreement (the" Merger Agreement") with Foamix Pharmaceuticals Ltd. (" Foamix") and Giants Merger Subsidiary Ltd., a wholly- owned subsidiary of Menlo (" Merger Sub"). On March 9, 2020, Merger Sub merged with and into Foamix, with Foamix surviving as a wholly- owned subsidiary of Menlo (the" Merger"). The combined company changed its name to VYNE in September 2020. Pursuant to the Merger, all outstanding options and RSUs granted by Foamix were exchanged for stock options and RSUs of Menlo' s common stock according to the exchange ratio set forth in the Merger Agreement. In addition, for each option and RSU the holder received a contingent stock right (" CSR"). This transaction was considered to be a modification under ASC 718, Compensation- Stock Compensation. The modification did not affect the

remaining requisite service period. As a result of the modification, for outstanding options and RSUs granted to Foamix employees and consultants, the Company recorded immaterial incremental compensation expense. On April 6, 2020, pursuant to the terms of the agreement governing the CSRs, each CSR was converted into 1. 2082 shares of Menlo common stock, resulting in an effective exchange ratio in the Merger of 1. 8006 shares of Menlo common stock for each Foamix ordinary share. As a result of the modification, for outstanding options and RSUs granted to Foamix employees and consultants, the Company recorded incremental compensation expense of $ **7 thousand and $** 46 thousand ~~and $ 0. 2 million~~ for the years ended December 31, **2024 and** 2023 ~~and December 31, 2022~~, respectively. ~~As of December 31, 2023 there is an immaterial amount of unrecognized incremental compensation expense related to the modification which will be amortized using a graded vesting method over the next year. F- 25~~ Summary of outstanding and exercisable options and RSUs ~~:~~The following table summarizes stock option activity for the year ended December 31, ~~2023~~ **2024** : Number of optionsWeighted Average Exercise PriceOutstanding at December 31, ~~2022229~~ **2023744** , ~~787~~ **537** $ ~~138~~ **40** . ~~92 Granted535~~ **65 Granted870** , 000 2. ~~70~~ **27** Forfeited (~~4~~ **25** , ~~127~~ **572**) ~~72~~ **2** . ~~81~~ **94** Expired (~~16~~ **4** , ~~123~~ **661**) ~~173~~ **222** . ~~42~~ **61** Outstanding at December 31, ~~2023744~~ **20241** , ~~537~~ **584, 304** $ ~~40~~ **19** . 65 Exercisable at December 31, ~~2023176~~ **2024397** , ~~688~~ **143** $ ~~151~~ **70** . ~~47~~ **32 The weighted average grant date fair value of options granted during the years ended December 31, 2024 and 2023 was $ 1. 6 million and $ 1. 2 million, respectively.** The weighted average remaining contractual term of outstanding and exercisable options as of December 31, ~~2023~~ **2024** was 8. ~~85~~ **62** years and ~~5~~ **7** . ~~74~~ **06** years, respectively. Total unrecognized share- based compensation for options at December 31, ~~2023~~ **2024** was $ ~~2~~ **1** . ~~3~~ **9** million, which is expected to be recognized over a weighted average period of ~~3~~ **2** . ~~13~~ **76** years. ~~There~~ -- **The** ~~was no~~ intrinsic value of outstanding and exercisable options **was $ 1. 3 million and $ 134 thousand, respectively,** as of December 31, ~~2023~~ **2024 .** The following table summarizes RSU activity for the year ended December 31, ~~2023~~ **2024** : Number of RSUsWeighted Average Grant Date Fair ValueOutstanding at December 31, ~~202283~~ **2023460** , ~~616~~ **979** $ ~~43~~ **4** . ~~30~~ **99** Awarded435, 000 2. ~~70~~ **33** Vested (~~53~~ **119** , ~~845~~ **724**) ~~42~~ **9** . ~~79~~ **76** Forfeited (~~3~~ **25** , ~~792~~ **540**) ~~49~~ **2** . ~~88~~ **79** Outstanding at December 31, ~~2023460~~ **2024750** , ~~979~~ **715** $ ~~4~~ **2** . ~~99~~ **77** The weighted average remaining contractual term of outstanding RSUs as of December 31, ~~2023~~ **2024** was ~~2~~ **1** . ~~16~~ **52** years. Total unrecognized compensation expense related to the unvested portion of the RSUs at December 31, ~~2023~~ **2024** was $ ~~2~~ **1** . ~~3~~ **8** million, which is expected to be recognized over a weighted average period of 3. ~~88~~ **11** years. **F- 24** Share- based compensation expenses ~~:~~The following table illustrates the allocation of share- based compensation ~~within~~ **expense on** the line items on the statements of operations **and comprehensive loss** : Year ended December 31, **(in thousands)** ~~20232022Research~~ ---- **20242023Research** and development ~~expenses534 1, 230~~ **$ 548 $ 534** General and ~~administrative~~ **administrative2** ~~expenses2~~ **, 755 2** , 771 **Total $** 3, **303 $** ~~419 Discontinued Operations * — (352)~~ 3, 305 ~~4, 297 * Income from stock- based compensation is related to forfeitures.~~ NOTE 14- INCOME TAX ~~: F- 26~~ The loss before income taxes and the related tax (benefit) expense is as follows: Year ended December 31, (in thousands) ~~20232022Income~~ **20242023Income** (loss) before income taxes: Domestic $ (~~28~~ **39** , ~~459~~ **830**) $ (~~23~~ **28** , ~~472~~ **459**) ~~Foreign7~~ - **Foreign** ~~279 — 7~~ Total loss before taxes $ (~~28~~ **39** , ~~452~~ **830**) $ (~~23~~ **28** , ~~193~~ **452**) Current taxes: Federal $ **— $** (123) ~~$~~ **State4 2 Foreign** — **121** ~~State2 13 Foreign121 —~~Total current taxes $ **4 $** — ~~$ 13~~ A reconciliation of income taxes at the U. S. federal statutory rate to the provision for income taxes is as follows: Year ended December 31, ~~20232022Federal~~ **20242023Federal** income tax provision at statutory rate21. 00 % 21. 00 % State income tax provision, net of federal benefit (0. 01) % (0. ~~04~~ **01**) % Permanent differences (0. ~~57~~ **06**) % (~~1~~ **0** . ~~52~~ **57**) % Change in valuation allowances (20. ~~42~~ **94**) % (~~19~~ **20** . ~~49~~ **42**) ~~% Other — % —~~% Effective income tax rate ~~— %~~ (0. ~~05~~ **01**) **% —** % The income tax expense for the years ended December 31, **2024 and** 2023 ~~and 2022~~ differed from the amounts computed by applying the U. S. federal income tax rate of 21 % to loss before tax expense as a result of nondeductible expenses, changes in state effective tax rates, foreign taxes, tax credits generated, true up of net operating loss carryforwards, and increase in the Company' s valuation allowance. The Company applies the elements of ASC 740- 10 regarding accounting for uncertainty in income taxes. This clarifies the accounting for uncertainty in income taxes recognized in financial statements and required impact of a tax position to be recognized in the financial statements if that position is more likely than not of being sustained by the taxing authority. Included in ~~Other~~ **other** ~~Liabilities~~ **liabilities** on the consolidated balance sheets are the total amount of unrecognized tax benefits of approximately $ 2. **6 million and $ 2.** 5 million ~~and $ 2. 9 million~~ as of December 31, **2024 and** 2023 ~~and 2022~~, respectively, net of the federal benefit, which is offset by a valuation allowance. The Company' s policy is to recognize interest and penalties related to tax matters within the income tax provision. Tax years beginning in ~~2019~~ **2020** are generally subject to examination by taxing authorities, although net **F- 25** operating losses from all years are subject to examinations and adjustments for at least three years following the year in which the attributes are used. The significant components of the Company' s deferred tax assets and liabilities are as follows: ~~F- 27~~ December 31, (in thousands) ~~20232022Deferred~~ ---- **20242023Deferred** tax assets: Net operating loss carryforwards $ ~~72~~ **75** , ~~508~~ **922** $ 72, ~~903~~ **508** Tax credit ~~carryforwards6~~ **carryforwards7 , 171 6** , 851 ~~7, 794~~ Section 174 ~~expenses7~~ **expenses14 , 720 7** , 775 ~~3, 529~~ Share- based ~~compensation1~~ **compensation2 , 217 1** , 988 ~~2, 061~~ Accrued expenses and ~~other651~~ **other649** ~~586~~ **651** Total gross deferred tax ~~assets89~~ **assets100, 679 89** , 773 ~~86, 873~~ Less ~~—~~ **:** valuation allowance (**100, 679) (** 89, 773) ~~(86, 873) Total deferred tax assets, net of valuation allowance $ — $ — Deferred tax liabilities: Other — — Right of use assets — — Total gross deferred tax liabilities — —~~Net deferred tax assets $ — $ — Realization of deferred tax assets is contingent upon sufficient future taxable income during the period that deductible temporary differences and carry forward losses are expected to be available to reduce taxable income. As the achievement of required future taxable income is not likely, the Company recorded a full valuation allowance. At December 31, **2024 and** 2023 ~~and 2022~~, the Company recorded a valuation allowance against its net deferred tax assets of $ **100. 7 million and $** 89. 8 ~~million and $ 86. 9~~ million, respectively. The change in the valuation allowance during the years ended December 31, **2024 and** 2023 ~~and 2022~~ was an increase of $ ~~2~~ **10** . 9 million and $ ~~1~~ **2** . ~~3~~ **9** million, respectively. A valuation allowance has been recorded since, in the judgment of management, these assets are not more likely than not to be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during periods in which those temporary differences and

carryforwards become deductible or are utilized. As of December 31, ~~2023~~ **2024** , the Company had federal and state net operating loss carryforwards of $ ~~331~~ **343** . ~~1~~ **4** million and $ ~~41~~ **53** . ~~7~~ **6** million, respectively, of which $ 44. 3 million will begin to expire in 2031 for federal and $ ~~21~~ **53** . ~~3~~ **6** million will begin to expire in 2040 for state purposes. As of December 31, ~~2023~~ **2024** , the Company had federal research and development tax credit carryforwards of $ ~~6~~ **7** . ~~9~~ **2** million which will begin to expire in 2031. The Company has no state research and development tax credit carryforwards. As a result of U. S. tax reform legislation, federal net operating losses generated beginning in 2018 and subsequent years carryforward indefinitely, however, the Company has federal net operating losses that pre- date U. S. tax reform legislation which begin to expire in 2031 and federal credit carryforwards that begin to expire in 2031. State net operating loss carryforwards begin to expire in 2031, and the state credit carryforwards began to expire in 2031. Sections 382 and 383 of the Internal Revenue Code of 1986 subject the future utilization of net operating losses and certain other tax attributes, such as research and development tax credits, to an annual limitation in the event of certain ownership changes, as defined. The Company has not completed a 382 study through December 31, ~~2023~~ **2024** , however, it may have experienced ownership changes in the past, including in connection with the Merger. In addition, the Private Placement likely resulted in an ownership change for purposes of Section 382 and therefore the Company may be materially limited in the amount of NOL and R & D tax credit available for utilization in the future. The Company generated research and development tax credits but has not conducted a study to document the qualified activities. This study may result in an adjustment to the Company' s research and development credit carryforwards; however, until a study is completed and any adjustment is known, a partial reserve has been presented as an uncertain tax position which is offset against the gross research and development deferred tax asset. A full valuation allowance has been provided against the Company' s research and development credits and, if an adjustment is required, this would be offset by an adjustment to the deferred tax asset established for the research and development credit carryforwards and the valuation allowance. Uncertain tax positions: ~~F- 28~~ ASC No. 740, Income Taxes, requires significant judgment in determining what constitutes an individual tax position as well as assessing the outcome of each tax position. Changes in judgment as to recognition or measurement of tax positions can materially affect the estimate of the effective tax rate and consequently, affect the operating results of the Company. **F- 26** The following table summarizes the activity of the Company' s unrecognized tax benefits (in thousands): Balance at January 1, ~~2022~~ **2023** ~~$ 2, 799 Additions for prior year positions — Additions for current year positions55 Reductions related to expiration of statute of limitations — Balance at December 31, 2022~~ $ 2, 854 Additions for prior year positions19 Additions for current year positions105 Reductions related to expiration of statute of limitations (520) Balance at December 31, 2023 $ 2, 458 **Reductions for prior year positions (3) Additions for current year positions111 Balance at December 31, 2024 $ 2, 566 NOTE 15- SEGMENT INFORMATION The Company operates in one operating segment, and therefore one reportable segment, focused on the development of differentiated therapies to treat chronic inflammatory and immune- mediated conditions of high unmet need. This determination, that the Company operates as a single operating segment, is consistent with the financial information regularly reviewed by the Chief Operating Decision Maker (" CODM ") for purposes of evaluating performance, allocating resources, and planning and forecasting for future periods. The Company' s Chief Executive Officer (" CEO ") is the CODM. The accounting policies for the single operating segment are the same as those described in " Note 2 — Significant Accounting Policies. " The CODM uses net loss based on net loss that is reported on the consolidated statement of operations and comprehensive loss to allocate resources (including employees, property, and financial resources), predominantly during the annual budget and forecasting process. The Company' s CODM views specific program spend within research and development expenses as well as overall general and administrative expenses as significant segment expenses. As a pre- product revenue company, the CODM also considers budget versus actual results for expenses that are deemed significant and cash forecast models for assessing performance and to decide the level of investment in the Company' s operating and capital allocation activities. Further, the measure of segment assets is reported on the consolidated balance sheet as total consolidated assets. All long- lived assets are held in the United States. All revenues are generated in the US. The following table presents segment revenue and significant expenses regularly reviewed by the CODM for the years ended December 31, 2024 and 2023 (in thousands):** F- **27 Year ended December 31, 20242023Royalty revenues $ 501 $ 424 Operating expensesResearch and development: Repibresib (VYN201) 16, 271 4, 593 VYN20211, 262 8, 770 Other segment items * 3, 413 2, 944 General and administrative13, 192 13, 375 Total operating expenses44, 138** 29 **, 682 Operating loss (43, 637) (29, 258) Other income, net3, 834 1, 386 Loss from continuing operations before income taxes (39, 803) (27, 872) Income tax expense4 — Loss from continuing operations (39, 807) (27, 872) Loss from discontinued operations, net of income taxes (27) (580) Net loss $ (39, 834) $ (28, 452) * Other segment items relate to research and development expenses that cannot be directly allocated to one specific product candidate, such as employee- related expenses, consulting, quality control, regulatory, and general IP legal expenses. Accordingly, the Company manages its operations as a single operating and reportable segment, and the consolidated financial statements and notes thereto are presented as a single reportable segment. F- 28** ITEM 9- CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE ITEM 9A- CONTROLS AND PROCEDURES Evaluation of Disclosure Controls and Procedures We maintain " disclosure controls and procedures, " as defined in Rules 13a- 15 (e) and 15d- 15 (e) under the Exchange Act, that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC' s rules and forms, and that such information is accumulated and communicated to the company' s management, including its chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost- benefit relationship of possible controls and procedures. Our management, with the participation of our Chief Executive Officer

and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a- 15 (e) and 15d- 15 (e) under the Exchange Act and regulations promulgated thereunder) as of December 31, ~~2023~~ **2024** . Based on such evaluation, those officers have concluded that, as of December 31, ~~2023~~ **2024** , our disclosure controls and procedures were effective at the reasonable assurance level. Changes in Internal Control over Financial Reporting There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, ~~2023~~ **2024** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management' s Annual Report on Internal Control over Financial Reporting Our management is responsible for establishing and maintaining adequate internal control over our financial reporting. Internal control over financial reporting is defined in Rule 13a- 15 (f) or 15d- 15 (f) under the Exchange Act as a process designed by, or under the supervision of, the Company' s principal executive and financial officers and effected by the Company' s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes and includes those policies and procedures that (a) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company' s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Our management assessed the effectiveness of our internal control over financial reporting, as of December 31, ~~2023~~ **2024** . In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control- Integrated Framework (2013). Based on our assessment, management concluded that, as of December 31, ~~2023~~ **2024** , our internal control over financial reporting was effective based on these criteria. ITEM 9B- OTHER INFORMATION ~~Entry into New ATM Sales Agreement On March 1, 2024, we entered into a Sales Agreement (the " Sales Agreement ") with Cowen and Company, LLC, as sales agent (" Cowen ") under which we may offer and sell, from time to time at our sole discretion, shares of our common stock, par value $ 0. 0001 per share (the " Common Stock "), through Cowen. Pursuant to the Sales Agreement, sales of the Common Stock, if any, will be made pursuant to a Registration Statement on Form S- 3 that we plan to file and have declared effective. We will file a prospectus supplement for the offer and sale of our Common Stock pursuant to the Sales Agreement having an aggregate offering price of up to $ 50, 000, 000. Subject to the terms and conditions of the Sales Agreement, Cowen may sell the Common Stock by any method permitted by law deemed to be an " at the market offering " as defined in Rule 415 (a) (4) of the Securities Act of 1933, as amended. Cowen will use commercially reasonable efforts to sell the Common Stock from time to time, based upon instructions from us, including any price, time or size limits or other customary parameters or conditions we may impose. We will pay Cowen a commission of three percent (3. 0 %) of the gross sales proceeds of any Common Stock sold under the Sales Agreement, and we have provided Cowen with certain indemnification rights. The foregoing description of the Sales Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Sales Agreement, a copy of which is filed as Exhibit 10. 3 to this Annual Report on Form 10- K. This Annual Report on Form 10- K shall not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein, nor shall there be any offer, solicitation, or sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state. Termination of Prior ATM Sales Agreement On February 27, 2024, we provided notice to Cantor Fitzgerald & Co. (" Cantor ") to terminate the Controlled Equity Offering Sales Agreement (the " Prior Sales Agreement "), dated August 12, 2021, with Cantor, pursuant to which we could from time to time sell shares of our common stock through Cantor as sales agent. We cannot make any future sales of our Common Stock pursuant to the Prior Sales Agreement.~~ ITEM 9C- DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS Not applicable. PART III ITEM 10- DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE Executive Officers and Directors The following table sets forth information regarding our executive officers and members of our Board of Directors (the" Board") as of the date of this Annual Report on Form 10- K. NameAgePosition (s) Executive Officers and Employee DirectorDavid ~~Domzalski57President~~ **Domzalski58President** , Chief Executive Officer and DirectorTyler ~~Zeronda38Chief~~ **Zeronda39Chief** Financial Officer and TreasurerIain Stuart, Ph. D. ~~51Chief~~ **52Chief** Scientific OfficerMutya ~~Harsch49Chief~~ **Harsch50Chief** Legal Officer, General Counsel and SecretaryNon- Employee DirectorsSharon ~~Barbari69DirectorSteven~~ **Barbari70DirectorSteven** ~~Basta58DirectorChristine~~ **Basta59DirectorChristine** Borowski, Ph. D. ~~46Director~~ **47Director** Anthony ~~Bruno67DirectorPatrick~~ **Bruno68DirectorPatrick** ~~LePore68Lead~~ **LePore69Lead** Independent DirectorElisabeth Sandoval ~~Little62Director~~ **Little63Director** David Domzalski has served as our President and Chief Executive Officer and as a director since March 2020. From July 2017 until the March 2020 closing of the Merger between Menlo and Foamix, Mr. Domzalski served as the Chief Executive Officer of Foamix. He also served as a director of Foamix from 2018 to the closing of the Merger. Mr. Domzalski' s tenure with Foamix began in 2014 when he served as President of its U. S. subsidiary. **Prior** ~~From 2009~~ to ~~2013~~ **that** , Mr. Domzalski was the Vice President of Sales and Marketing at LEO Pharma, Inc **. from 2009 to 2013** . Mr. Domzalski holds a B. A. in economics and political science from Muhlenberg College in Allentown, Pennsylvania. We believe Mr. Domzalski is qualified to serve on our Board given his leadership position with our company and Foamix, and his extensive experience in operating and leadership roles in the pharmaceutical industry. Tyler Zeronda was appointed as our Chief Financial Officer and Treasurer in March 2022 and previously served as our Interim Chief Financial Officer and Treasurer beginning in June 2021. Mr. Zeronda **has been responsible for all finance activities related to our commercial operations,**

financial planning, treasury, risk management and supply chain matters. Mr. Zeronda joined Foamix in April 2019, and from the closing of the Merger in 2020 until June 2021, Mr. Zeronda served as our Vice President of Finance. From 2013 ~~until~~ **to** April 2019, Mr. Zeronda held positions of increasing responsibility in finance at the publicly held company Aerie Pharmaceuticals Inc., culminating in his role as Director of Finance. **Prior to joining Aerie,** Mr. Zeronda was ~~previously~~ employed at the accounting firm Ernst & Young LLP where he focused on assurance services for companies in the healthcare industry. Mr. Zeronda received his ~~Master of Science~~ **M. S.** in accounting from the University of Virginia. He holds a B. A. in economics and business from Lafayette College and is licensed as a Certified Public Accountant in the state of New York. Iain Stuart, Ph. D. has served as our Chief Scientific Officer since the closing of the Merger **. From January 2019 until the closing of the Merger in 2020** , ~~having previously~~ **Dr. Stuart** served as Foamix' s Chief Scientific Officer ~~since January 2019~~ , Senior Vice President of Research & Development from 2017 to January 2019 and Vice President of Clinical Development from 2016 to 2017. Prior to joining Foamix, Dr. Stuart held several positions, including Vice President of Medical Strategy and Scientific Affairs, at LEO Pharma Inc. from 2008 to 2016. Dr. Stuart holds a Ph. D. from Glasgow Caledonian University in Scotland. Mutya Harsch has served as our Chief Legal Officer, General Counsel and Secretary since the closing of the Merger, having previously served with Foamix since 2018, most recently as General Counsel and Chief Legal Officer. Ms. Harsch ~~has over 20 years of legal experience,~~ previously ~~holding~~ **held** positions as Special Counsel, Mergers & Acquisitions at Cooley LLP from 2015 to 2017 and as a corporate lawyer at Davis Polk & Wardwell from 2005 to 2015. From October 2021 to June 2023, she served on the board of directors of the publicly held company Satsuma Pharmaceuticals Inc. Ms. Harsch received her J. D. and B. A. from the University of California at Berkeley. Sharon Barbari has served on our Board since the closing of the Merger, having previously served as a director of Foamix ~~since~~ **from** January 2019 **to the closing of the Merger in 2020** . From 2004 to 2017, Ms. Barbari served as Chief Financial Officer at Cytokinetics. From 2002 to 2004, she served ~~as~~ as Chief Financial Officer and Senior Vice President of Finance and Administration at InterMune. From 1998 to 2002, she served in senior financial roles at Gilead Sciences, including as Chief Financial Officer. Ms. Barbari was also employed as Vice President of Strategic Planning at Foote, Cone & Belding Healthcare. She began her career at Syntex Corporation / Roche Pharmaceuticals, where she held various roles of increasing responsibility from 1972 to 1996. Ms. Barbari ~~currently serves~~ **served** on the board of directors of the publicly held company Agile Therapeutics **from June 2020 until its merger with Exeltis Project, Inc., a U. S. subsidiary of Insud Pharma, S. L., in August 2024** . She previously was a board member for the Association of Bioscience Finance Officers Northern California Chapter, Phytogen Life Sciences and Sonoma Pharmaceuticals. In 2017, Ms. Barbari was a recipient of the YWCA Silicon Valley Tribute to Women Awards. She received her B. S. in accounting from San Jose State University. We believe Ms. Barbari is qualified to serve on our Board because of her financial executive and leadership roles in various biotechnology and pharmaceutical companies. Steven Basta has served on our Board since 2015. ~~He~~ **Mr. Basta** served with Menlo as our President and Chief Executive Officer from 2015 until the closing of the Merger. Mr. Basta has served as the Chief Executive Officer of SaNOtize Research and Development Corp. since September 2023. From December 2020 until October 2022, Mr. Basta served as the Chief Executive Officer of Mahana Therapeutics, a privately held digital therapeutics company. From 2011 to 2015, Mr. Basta served as Chief Executive Officer of AlterG, a privately held medical device company. From 2002 to 2010, Mr. Basta served as Chief Executive Officer of BioForm Medical, a publicly held medical aesthetics company acquired by Merz, and from 2010 to 2011 served as Chief Executive Officer of its successor Merz Aesthetics. He has served on the board of DermBiont, Inc., a privately held pharmaceutical company, since 2020 **, and** ~~. Mr. Basta~~ has served as chairman of the board of directors of Illumisonics, a privately held company, since November 2023. Mr. Basta served as a director of the publicly held company Viveve Medical from 2018 until March 2023, including as Chairman of the Board beginning in January 2019. Mr. Basta received a B. A. from The Johns Hopkins University and an M. B. A. from the Kellogg Graduate School of Management at Northwestern University. We believe Mr. Basta is qualified to serve on our Board because of his extensive experience in leadership and management roles at various life sciences companies. Christine Borowski, Ph. D. has served on our Board since January 2024. Dr. Borowski has served as **Principal** ~~Vice President~~ at Access **Biotechnology** ~~Industries, Inc. (" Accecss Bio ")~~ since January ~~2022~~ **2024 ,** and previously served as **Vice President (from January 2022) and** Senior Associate **(from July 2019)** at Access **Biotechnology** ~~Bio beginning in July 2019~~ . Prior to that, Dr. Borowski worked on therapeutics company creation at Apple Tree Partners from 2017 to May 2019. Before joining Apple Tree Partners, Dr. Borowski worked as an editor at several scientific journals, most recently as Chief Editor of Nature Medicine from 2014 to 2017. She earned a B. S. in Biology from the University of Kentucky, a Ph. D. in Immunology from Harvard University, and completed her postdoctoral work on natural killer T cell development at the University of Chicago. Dr. Borowski was appointed to the Board in connection with Access ~~Bio~~ **Biotechnology** ' s equity investment in ~~our the company~~ **Company** ~~'s~~ in November 2023. We believe Dr. Borowski is qualified to serve on our Board because of her expertise in immunology and extensive experience in the biopharmaceutical industry. Anthony Bruno has served on our Board since the closing of the Merger, having previously served as a director of Foamix ~~since~~ **from** 2018 **to the closing of the Merger in 2020** . Prior to his retirement in 2018, Mr. Bruno served as a strategic consultant to Foamix from 2014 to 2018 and to a number of healthcare- focused investment funds between 2011 and 2018. He was employed at Warner Chilcott from 2000 to 2011, most recently as Executive Vice President, with responsibility for all business development activities including product acquisitions and divestitures as well as licensing agreements. Mr. Bruno also spent 16 years at Warner Lambert, holding several positions of increasing strategic responsibility. Mr. Bruno began his career as an associate with the law firm of Shearman & Sterling. Mr. Bruno holds a B. A. in Political Science from Syracuse University and a J. D. from The George Washington University Law School. We believe Mr. Bruno is qualified to serve on our Board given his experience as an accomplished pharmaceutical executive with broad expertise in the legal, business development, and corporate development functions, as well as his significant experience in product licensing and M & A transactions. Patrick LePore has served on our Board since September 2020 and was appointed as our lead independent director in February 2021. Mr. LePore served as Chairman, Chief Executive Officer and President of the publicly

held company Par Pharmaceutical Companies, Inc. from 2006 until its acquisition by private equity investor TPG Capital in 2012. He remained as chairman of the new company where he led the sale of the company to Endo ~~Phamaceuticals~~ **Pharmaceuticals** in 2015. Mr. LePore began his career with Hoffmann- LaRoche. He later founded Boron, LePore & Associates, a medical communications company, which he took public in 1997 and which was eventually sold to Cardinal Health. Within the past five years, Mr. LePore served as Chairman of the Board of the publicly held pharmaceutical company Lannett Company, Inc and as a director of the publicly held companies Matinas BioPharma Holdings, Inc., PharMerica Corporation and Innoviva, Inc. He also previously served as a trustee of Villanova University, from which he holds a bachelor' s degree. He holds a Master of Business Administration from Farleigh Dickinson University. We believe Mr. LePore is qualified to serve on our Board given his extensive experience as a senior level executive and board member for several companies in the pharmaceutical sector. Elisabeth Sandoval Little has served on our Board since March 2019. Ms. Sandoval Little currently serves as a consultant to the pharmaceutical industry. From 2016 to 2019, she served as the Chief Commercial Officer and Executive Vice President of Corporate Strategy for Alder Biopharmaceuticals, a publicly held biopharmaceutical company. From 2012 to 2015, Ms. Sandoval Little was Chief Commercial Officer for KYTHERA Biopharmaceuticals until KYTHERA' s acquisition by Allergan. Ms. Sandoval Little previously served as Vice President of Marketing for Bausch and Lomb Surgical and Vice President of Global Marketing at Allergan with responsibility for the Medical Aesthetics division. She spent over 20 years at Allergan in sales and marketing leadership roles in the specialties of dermatology, neurology, and aesthetics. Ms. Sandoval Little began her career in research and development at Johnson & Johnson' s Ethicon division. Ms. Sandoval Little currently serves on the board of directors of the publicly held company PROCEPT BioRobotics Corporation **and the privately held company Feldan Therapeutics,** and previously served on the board of directors of the publicly held company Satsuma Pharmaceuticals from May 2019 until June 2023 and the publicly held company Intersect ENT, Inc. from April 2021 until its acquisition by Medtronic plc in May 2022. She holds an M. B. A. from Pepperdine University and a B. S. in biology from the University of California, Irvine. We believe that Ms. Sandoval Little is qualified to serve on our Board because of her extensive background working in the dermatology industry and her experience in strategic planning, business transactions, sales operations and executive leadership. Corporate Governance Guidelines The Board has documented our governance practices in our corporate governance guidelines to assure that the Board will have the necessary authority and practices in place to review and evaluate our business operations as needed and to make decisions that are independent of our management. The guidelines are also intended to align the interests of directors and management with those of our stockholders. The corporate governance guidelines set forth certain practices the Board will follow with respect to Board composition, Board committees, Board nomination, director qualifications and evaluation of the Board and committees. The corporate governance guidelines and the charter for each committee of the Board described below may be viewed on the" Corporate Governance" section of our" Investors & Media" page on our corporate website located at vynetherapeutics. com. Leadership Structure of the Board Our amended and restated bylaws and corporate governance guidelines provide our Board with flexibility to designate the position of Chairman of the Board, and if so, to combine or separate the positions of Chairman of the Board and Chief Executive Officer, or to appoint a lead director in accordance with its determination that utilizing a particular structure would be in the best interests of the Company. Upon the recommendation of our Nominating and Corporate Governance Committee, our Board has appointed Patrick LePore to serve as our lead independent director. The Board determined that the appointment of a lead independent director was in our best interests and those of our stockholders as it strengthens the Board' s independence and commitment to strong governance practices. Role of Board in Risk Oversight Process Risk assessment and oversight are an integral part of our governance and management processes. Our Board encourages management to promote a culture that incorporates risk management into our corporate strategy and day- to- day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the Board at regular Board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks. Committees of the Board of Directors The Board has a standing Audit Committee, Compensation Committee and a Nominating and Corporate Governance Committee. The Board may establish other committees to facilitate the management of our business. The current composition and functions of each committee are described below. NameAuditCompensationNominating and Corporate GovernanceDavid Domzalski — — — Sharon BarbariX * X — Steven BastaX — — Christine Borowski, Ph. D. — — XAnthony Bruno — XX * Patrick LePore — — XElisabeth Sandoval LittleXX * — * Committee Chairperson Below is a description of each committee of the Board. Our Audit Committee oversees our corporate accounting and financial reporting process. Among other matters, the Audit Committee: • appoints our independent registered public accounting firm; • evaluates the independent registered public accounting firm' s qualifications, independence and performance; • determines the engagement of the independent registered public accounting firm; • reviews and approves the scope of the annual audit and the audit fee; • discusses with management and the independent registered public accounting firm the results of the annual audit and the review of our quarterly financial statements; • approves the retention of the independent registered public accounting firm to perform any proposed permissible non - audit services; • monitors the rotation of partners of the independent registered public accounting firm on our engagement team in accordance with requirements established by the SEC; • is responsible for reviewing our financial statements and our management' s discussion and analysis of financial condition and results of operations to be included in our annual and quarterly reports to be filed with the SEC; • reviews our critical accounting policies and estimates; and • reviews the Audit Committee charter and the committee' s performance at least annually. The current members of our Audit Committee are Mses. Barbari and Sandoval Little and Mr. Basta, with Ms. Barbari serving as chairperson of the committee. All members of our Audit Committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and Nasdaq. Our Board has determined that each of Ms. Barbari and Mr. Basta qualifies as an audit committee financial expert under the applicable rules of

the SEC and has the requisite financial sophistication as defined under the applicable rules and regulations of Nasdaq. Under the rules of the SEC, members of the Audit Committee must also meet heightened independence standards. Our Board has determined that Mses. Barbari and Sandoval Little and Mr. Basta are independent under the applicable rules of the SEC and Nasdaq. The Audit Committee operates under a written charter, available on our corporate website, that satisfies the applicable standards of the rules of the SEC and Nasdaq. Our Compensation Committee oversees policies and makes determinations relating to compensation and benefits of our current and prospective officers, directors and employees. The Compensation Committee periodically evaluates the performance of our Company, and where appropriate, our officers, in light of the goals and objectives it has established, and determines and approves, or may recommend to the Board to approve, the bonus award, if any, payable to these officers. The Compensation Committee may establish compensation and make bonus awards to our chief executive officer directly or may make recommendations to the Board regarding compensation and bonus awards payable to our chief executive officer. Our Compensation Committee also reviews director compensation and makes recommendations to the Board regarding director compensation. The Compensation Committee also reviews and approves or makes recommendations to our Board regarding the issuance of stock options and other awards under our stock plans. The Compensation Committee will periodically review and evaluate the performance of the Compensation Committee and its members, including compliance by the Compensation Committee with its charter. The current members of our Compensation Committee are Mses. Barbari and Sandoval Little and Mr. Bruno, with Ms. Sandoval Little serving as the chairperson of the committee. Our Board has determined that each of Mses. Barbari and Sandoval and Mr. Bruno is independent under the applicable rules and regulations of Nasdaq and is a " non- employee director " as defined in Rule 16b- 3 promulgated under the Exchange Act. Our executive officers submit proposals to the Board and the Compensation Committee regarding our executive compensation. Our Chief Executive Officer also annually reviews the performance of each executive officer and makes recommendations regarding their compensation. The Compensation Committee considers those recommendations in determining base salaries, adjustments to base salaries, annual cash bonus program targets and awards and equity awards, if any, for the executive officers and other members of senior management. The Compensation Committee has evaluated the independence of its compensation consultant, considering the independence factors specified in the listing requirements of Nasdaq and concluded that their work for the Compensation Committee does not raise any conflicts of interest. The Compensation Committee operates under a written charter, available on our corporate website, that satisfies the applicable standards of the rules of the SEC and Nasdaq. Nominating and Corporate Governance Committee Our Nominating and Corporate Governance Committee is responsible for making recommendations to our Board regarding candidates for directorships and the size and composition of our Board. In addition, the Nominating and Corporate Governance Committee is responsible for overseeing our corporate governance policies and reporting and making recommendations to our Board concerning governance matters. The current members of our Nominating and Corporate Governance Committee are Dr. Borowski and Messrs. Bruno and LePore, with Mr. Bruno serving as the chairperson of the committee. Our Board has determined that each of Dr. Borowski and Messrs. Bruno and LePore is an independent director under the applicable rules and regulations of Nasdaq relating to nominating and corporate governance committee independence. The Nominating and Corporate Governance Committee operates under a written charter, available on our corporate website, that satisfies the applicable standards of the SEC and Nasdaq. Our Nominating and Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the Nominating and Corporate Governance Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, may take into account many factors, including: • the candidate' s experience in corporate management, such as serving as an officer or former officer of a publicly held company; • the candidate' s experience as a board member of another publicly held company; • the candidate' s professional and academic experience relevant to our industry; • the strength of the candidate' s leadership skills; • the candidate' s experience in finance and accounting and / or executive compensation practices; and • whether the candidate has the time required for preparation, participation and attendance at Board meetings and committee meetings, if applicable. Currently, our Nominating and Corporate Governance Committee and Board evaluate each individual in the context of the Board as a whole, with the objective of assembling a group that can best maximize the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these areas. The Nominating and Corporate Governance Committee will consider individuals who are properly proposed by stockholders to serve on the Board in accordance with laws and regulations established by the SEC and the Nasdaq listing requirements, our bylaws and applicable corporate law, and make recommendations to the Board regarding such individuals based on the established criteria for members of our Board. The Nominating and Corporate Governance Committee may consider in the future whether we should adopt a more formal policy regarding stockholder nominations. Stockholder Communications with the Board of Directors The Board will consider any written or electronic communication from our stockholders to the Board, a committee of the Board or any individual director. Any stockholder who wishes to communicate to the Board, a committee of the Board or any individual director should submit written or electronic communications to our corporate secretary at our principal executive offices, which shall include contact information for such stockholder. All communications from stockholders received shall be forwarded by our secretary to the Board, a committee of the Board or an individual director, as appropriate, on a periodic basis, but in any event no later than the Board' s next scheduled meeting. The Board, a committee of the Board, or individual directors, as appropriate, will consider and review carefully any communications from stockholders forwarded by our secretary. Code of Business Conduct and Ethics We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. Our code of business conduct and ethics is available on the" Corporate Governance" section of our" Investors & Media" page on our corporate website located at vynetherapeutics. com. Any amendments to the code, or any waivers of its requirements, will be

disclosed on our website. The reference to our web address does not constitute incorporation by reference of the information contained at or available through our website. **Insider Trading Policy and** Prohibition on Margin Accounts and Hedging and Similar Transactions Our employees and directors are subject to an insider trading policy **. This policy governs the purchase, sale, and / or other dispositions of the Company' s securities by directors, officers and employees** that **is designed to promote compliance with insider trading laws** , ~~among~~ **rules and regulations, as well as procedures designed to further** ~~other~~ -- **the** ~~things~~ **foregoing purposes. In addition** , **it is the Company' s intent to comply with applicable laws and regulations relating to insider trading. This policy also** prohibits ~~them~~ **directors, officers and employees** from holding our securities in a margin account or pledging our securities as collateral for a loan. In addition, our insider trading policy prohibits employees and directors from engaging in put or call options, short selling, or similar hedging activities involving our stock. We prohibit these transactions because they may reduce the individual' s incentive to improve our performance, focus the individual on short- term performance at the expense of long- term objectives, and misalign the individual' s interests with those of our stockholders generally **. The policy is filed as an exhibit to this Annual Report on Form 10- K** . ITEM 11- EXECUTIVE COMPENSATION The following is a discussion of compensation arrangements of our named executive officers (" NEOs"). As a " smaller reporting company " as defined under SEC rules, we have elected to comply with the scaled disclosure requirements applicable to such companies. Our NEOs for the year ended December 31, ~~2023~~ **2024** were: • David Domzalski, President and Chief Executive Officer; • Iain Stuart, Chief Scientific Officer; and • Mutya Harsch, Chief Legal Officer, General Counsel and Secretary. Summary Compensation Table The following table sets forth the compensation information for our NEOs for the years ended December 31, **2024 and** 2023 ~~and 2022~~ . Name and Principal PositionYearSalary ($) Bonus ($) ~~(1)~~ Non- equity Incentive Compensation ($) (~~2~~ **1**) Stock Awards ($) (~~3~~ **2**) Option Awards ($) (~~3~~ **2**) All Other Compensation ($) (~~4~~ **3**) Total Compensation ($) David ~~Domzalski2023637~~ **Domzalski2024637 , 560 — 361, 497 524, 250 436, 500 13, 800 1, 973, 607 President and Chief Executive Officer2023637** , 560 382, 536 573, 804 607, 500 501, 750 13, 200 2, 716, 350 ~~President and~~ **Iain Stuart2024455, 555 — 172, 200 145, 625 121, 250 13, 800 908, 430** Chief ~~Executive~~ **Scientific** ~~Officer2022637~~ **Officer2023421** , **811 168** ~~560 — 325~~ , ~~156 190~~ **724 253** , ~~504 128~~ **086 168** , ~~044 12~~ **750 139, 375 13** , 200 1, ~~293~~ **164** , ~~464 Iain Stuart2023421~~ **946 Mutya Harsch2024443** , ~~811 168~~ **280 — 167** , ~~724 253~~ **560 145** , ~~086 168~~ **625 121** , **250** ~~750 139, 375~~ 13, ~~200 1~~ **800 891** , **515** ~~164, 946~~ Chief ~~Scientific Officer2022421~~ **Legal Officer** , **General Counsel and Secretary2023382** ~~811 — 143, 415 45, 750 30, 750 12, 200 653, 926 Mutya Harsch2023382~~ , 594 (5) 168, 869 253, 302 168, 750 139, 375 13, 200 1, 126, 090 **(** ~~Chief Legal Officer, General Counsel and Secretary2022422, 172 — 143, 538 45, 750 30, 750 12, 200 654, 410~~ 1 **)** . ~~The amounts reported in this column for 2023 reflect cash retention payments made to each officer upon the achievement of certain milestones. See" — Narrative Disclosure to Summary Compensation Table — 2023 Retention Payments" for additional discussion regarding these payments. 2.~~ The amounts reported in this column reflect cash bonuses earned pursuant to the achievement of our corporate objectives for the applicable year. ~~3~~ **See " Narrative Disclosure to Summary Compensation Table — Non- Equity Incentive Plan Compensation " for additional discussion regarding the 2024 cash bonuses** . **(2)** Represents the grant date fair value of the restricted stock units and stock options granted in accordance with ASC 718. The assumptions used in calculating the grant date fair values are set forth in Note 13 to the **consolidated** financial statements included in this Annual Report on Form 10- K. ~~4.~~ **(3)** Reflects employer matching contributions to each individual' s 401 (k) plan. ~~5~~ Narrative Disclosure to Summary Compensation Table We periodically review compensation for our executive officers.In setting executive base salaries and bonuses and granting equity incentive awards,we consider compensation for comparable positions in the market,the historical compensation levels of our executives,individual performance as compared to our expectations and objectives,our desire to motivate our employees to achieve short- and long- term results that are in the best interests of our stockholders and a long- term commitment to our company.We do not target a specific competitive position or a specific mix of compensation among base salary,bonus or long- term incentives.Our Compensation Committee typically reviews and discusses management' s proposed compensation with the Chief Executive Officer for all executives other than the Chief Executive Officer.Based on those discussions and its discretion,the Compensation Committee then recommends the compensation for each executive officer.Our Compensation Committee,without members of management present,discusses and ultimately approves the compensation of our executive officers.In 2023 the Compensation Committee retained F.W.Cook & Co. (" F.W.Cook"),a compensation consulting firm,to evaluate and make recommendations with respect to our executive compensation program and retention incentives.F.W.Cook' s engagement included assisting the Compensation Committee with developing retention incentives for our employees,the selection of a peer group of companies for benchmarking purposes,an analysis of our existing executive compensation,including our equity incentive plan and equity award granting practices,and an analysis of our director compensation policy.In 2023,F.W.Cook presented the Compensation Committee with data about the compensation paid by our peer group of companies and other employers,who we believe compete with us for executives,updated the Compensation Committee on new developments in areas that fall within the Compensation Committee' s jurisdiction and advised the Compensation Committee regarding all of its responsibilities.F.W.Cook served at the pleasure of the Compensation Committee rather than us,and the consultant' s fees were approved by the Compensation Committee.Annual Base Salary The base salary for **each of** ~~Mr.Domzalski,~~ our **NEOs** ~~CEO,~~ remained unchanged from **2022 through 2023.Ms.Harsch was on a reduced schedule from July** 2023 through **August** ~~2024~~ **2023** ~~and 2025~~ . ~~Mr~~ **During such time,Ms** . ~~Domzalski' s annual~~ **Harsch maintained her responsibilities as Chief Legal Officer,General Counsel and Secretary of the Company and was paid 25 % of her** base salary for **the period** ~~2025 remains $ 637,560~~ . ~~For 2024,Dr.Stuart' s annual base salary increased from $ 421,811 in 2023 to $ 455,555 in 2024.For 2024~~ . Ms. Harsch was on a reduced schedule from July 2023 through August 2023. During such time, Ms. Harsch maintained her responsibilities as Chief Legal Officer, General Counsel and Secretary of the Company and was paid 25 % of her base salary for the period. Narrative Disclosure to Summary Compensation Table We..... her base salary for the period. Dr. Stuart' s and Ms. Harsch' s annual base salaries for ~~2024~~ **2025** are $ ~~455~~ **471** , ~~555~~ **499** and $ ~~443~~ **458** , ~~280~~ **795** , respectively. ~~Mr. Domzalski' s annual base salary for 2024 remains $ 637, 560. Non- Equity Incentive Plan~~

~~Compensation~~ Mr. Domzalski' s eligibility to receive his target annual bonus, which is currently 60 % of his base salary, is based solely on the achievement of corporate performance objectives. For Ms. Harsch' s and Dr. Stuart' s target bonus, which is currently 40 % of their respective base salaries, the bonus amounts earned are based 75 % on the achievement of corporate performance objectives and 25 % on the achievement of individual performance objectives. Each of our NEOs has a maximum bonus opportunity equal to 200 % of their target bonus. For the ~~2023~~ **2024** bonuses, the corporate performance objectives included the advancement of our biotech strategy **through organic development of existing products** and **opportunistic transactions and partnerships. The corporate objectives also included** the achievement of certain research and development ~~, business development~~ and financial objectives. In February ~~2024~~ **2025** , our Compensation Committee assessed the level of achievement of corporate and individual performance objectives and considered, among other things, the **increase** ~~achievement of proof- of- concept data~~ in ~~the Phase 1b trial of VYN201 for vitiligo and the successful recapitalization of~~ our **share price and** ~~organization as a result of~~ the ~~Private Placement~~ **improved strength of our management team and board through the hiring of additional research and development colleagues and the addition of Ms. Borowski to our Board of Directors** . In addition, the Compensation Committee **considered the level of achievement of certain milestones related to repibresib gel including the initiation of the Phase 2b trial and the completion of enrollment of subjects with NSV in the trial. The Compensation Committee also considered the advancement of VYN202 including the clearance of our IND and successful completion of the Phase 1a SAD / MAD trial in healthy volunteers. The Compensation Committee also** determined that Dr. Stuart and Ms. Harsch had fully achieved all individual objectives. After applying such levels of achievement to the applicable weightings, the Compensation Committee, in consultation with F. W. Cook, awarded each of Mr. Domzalski, Dr. Stuart and Ms. Harsch ~~150~~ **94. 5** % of their respective target bonus. The actual bonus amounts paid **for 2024** are reflected in the " Non- Equity Incentive Compensation " column of the Summary Compensation Table above. We maintain a tax - qualified retirement plan that provides eligible U. S. employees, including our NEOs, with an opportunity to save for retirement on a tax- advantaged basis. Eligible employees are able to defer eligible compensation subject to applicable annual Internal Revenue Code (the " Code ") limits. Currently, we match each eligible employee' s contributions up to 4 % of total eligible compensation. Employees' pre - tax contributions are allocated to each participant' s individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are immediately and fully vested in their contributions. The 401 (k) plan is intended to be qualified under Section 401 (a) of the Code with the 401 (k) plan' s related trust intended to be tax exempt under Section 501 (a) of the Code. As a tax - qualified retirement plan, contributions to the 401 (k) plan and earnings on those contributions are not taxable to the employees until distributed from the 401 (k) plan. Employee Benefits and Perquisites All of our full - time employees, including our NEOs, are eligible to participate in our health and welfare plans, including medical, dental and vision benefits, medical and dependent care flexible spending accounts, short - term and long - term disability insurance and life insurance. In addition, all of our employees are eligible to participate in our Employee Share Purchase Plan, which allows them to purchase shares of our common stock at a 15 % discount to prevailing market prices, subject to certain terms and conditions. We do not provide our NEOs with perquisites or other personal benefits, other than the retirement, health and welfare benefits that apply uniformly to all of our employees. **Equity- Based Awards Since December 2023, equity- based awards to our NEOs have been made under our 2023 Plan. The equity- based incentive awards granted to our NEOs are designed to align the interests of our NEOs with those of our stockholders. Generally, the vesting of equity awards is tied to each officer' s continuous service with us and serves as an additional retention measure. Our executives generally are awarded an initial new hire grant upon commencement of employment. Additional grants may occur periodically in order to specifically incentivize executives with respect to achieving certain corporate goals or to reward executives for exceptional performance.** On ~~March 9~~ **December 11** , 2023, the Compensation Committee approved ~~cash retention payments~~ **the grant of restricted stock units and options to our employees under our 2023 Plan, including members of management,** for ~~all~~ **both 2023 and 2024. The Compensation Committee determined that such grants were appropriate to provide long- term incentives that align the interests** of ~~our~~ **the Company' s** employees **with** ~~, including~~ the ~~NEOs~~ **interests of stockholders** . In making its decision, the Compensation Committee ~~, in consultation with F. W. Cook,~~ considered **:** (i) **that our** ~~the limited number of~~ employees **were not previously awarded equity compensation** ~~remaining at the Company and the increase~~ in ~~each employee' s responsibilities~~ **the first quarter of 2023, consistent with past practice** ; (ii) **that the ownership percentage in the Company for our Chief Executive Officer, the Chief Financial Officer and other NEOs based on total shares outstanding (inclusive of shares underlying pre- funded warrants) was significantly lower than ownership percentages for such officers at peer companies; (iii) given the small size of our workforce,** the impact of the loss of any employee, especially members of management, on our ability to execute **our** corporate objectives for ~~2023~~ **2024 and beyond** ; and (~~iii~~ **iv**) **our recent financing activities and** the ~~limited~~ **increased total** number of shares ~~available for grant under~~ **outstanding, inclusive of shares underlying** the **pre- funded warrants that were issued to shareholders in** ~~2018 Plan and 2019 Plan at such time. After considering~~ the ~~foregoing~~ **private placement. For Mr. Domzalski** , the Compensation Committee approved ~~a cash retention plan~~ **the grant of 225, 000 restricted stock units and options to purchase 225, 000 shares** with ~~the goal~~ **a grant date** of ~~encouraging the retention~~ **December 13, 2023, and a grant** of ~~employees~~ **225, 000 restricted stock units and options to purchase 225, 000 shares with a grant date of January 1, 2024. For each of Ms. Harsch and Dr. Stuart, the Compensation Committee approved the grant of 62, 500 restricted stock units and options to purchase 62, 500 shares with a grant date of December 13, 2023, and a grant of 62, 500 restricted stock units and options to purchase 62, 500 shares with a grant date of January 1, 2024. These equity awards vest over a four- year period, with 25 % vesting on the first anniversary of the last day of the quarter in which the grant was made, and 6. 25 % vesting every quarter thereafter, in each case, subject to the executive' s continued service to the Company** through **the vesting date** ~~expected milestone events in 2023~~ . **The exercise price for** ~~Each of our employees, including~~ each ~~of our NEOs, was eligible to receive a~~

~~cash payment equal to 100 % of their target annual bonus (the" Retention Payment") over a period of time in order to maintain the continuity of business operations~~ ---- **option** ~~. One- third~~ **is the closing price** of **our common stock on** the applicable **grant** ~~Retention Payment was payable only upon the achievement of each of the following milestones, subject to the individual' s remaining in our continuous service through each payment~~ date ~~: (i) the receipt of positive results from our Phase 1b clinical trial for VYN201 and (ii) the achievement of certain financing objectives. The remaining one- third of the Retention Payment was payable if the employee remained in our continuous service through December 31, 2023. All milestones were achieved in 2023, and each NEO remained employed by us on December 31, 2023. As a result, the full Retention Payment was earned and is set forth in the" Bonus" column of the Summary Compensation Table above~~. Outstanding Equity Awards at Fiscal Year End The following table sets forth all outstanding equity awards held by each of ~~the~~ **our** NEOs as of December 31, ~~2023~~ **2024**. Option AwardsShare AwardsNameGrant ~~Date (1) Number~~ **DateNumber** of Securities Underlying Unexercised Options ExercisableNumber of Securities Underlying Unexercised Options UnexercisableOption Exercise Price ($) Option Expiration DateNumber of Shares or Units of Shares That Have Not Vested (#) Market Value of Shares or Units of Shares That Have Not Vested (~~2~~ **5**) ($) David ~~Domzalski6~~ **Domzalski11** ~~/ 9 / 2014468 — 319. 686 / 9 / 2024 — — 11~~ / 10 / 20155, 922 — 285. 8411 / 10 / 2025 — — 3 / 1 / 20161, 500 — 241. 923 / 1 / 2026 — — 2 / 21 / 20171, 784 — 408. 962 / 21 / 2027 — — 8 / 8 / 20178, 195 — 230. 408 / 8 / 2027 — — 5 / 8 / 20181, 755 — 203. ~~405~~ **045** / 8 / 2028 — — 1 / 1 / 20194, 276 — 151. 201 / 1 / 2029 — — 2 / 24 / ~~20205~~ **20206**, ~~648 376~~ **024 —** 161. 282 / 24 / ~~2030161 375~~ **2030 — —** 5 / 6 / ~~20208~~ **20209**, **443 —** ~~264 1, 179~~ 140. 405 / 6 / ~~20301~~ **2030 — —** ~~, 180 2, 749~~ 2 / 22 / ~~202113~~ **202118**, ~~705 6~~ **686 1**, ~~224~~ **243 (1)** 149. 942 / 22 / ~~20312~~ **2031533 (1) 1**, **786** ~~667 6, 214~~ 9 / 2 / 202117, 795 — 30. 249 / 2 / 2031 — — 3 / 17 / ~~20227~~ **202211**, ~~594 9~~ **931 5**, ~~755~~ **418 (2)** 10. 983 / 17 / ~~20329~~ **20325**, ~~757 22~~ **420 (2) 18**, ~~734~~ **157** 12 / 13 / ~~2023~~ **202356** ~~— 225~~, ~~000~~ **250 168, 750 (3)** 2. 7012 / 13 / ~~2033225~~ **2033168, 750 (3) 565, 313 1 / 1 / 2024 — 225**, 000 ~~524~~ **(4) 2. 331 / 1 / 2034225**, ~~250~~ **000 (4) 753, 750** Iain Stuart11 / 15 / 20161, 000 — 342. 0011 / 15 / 2026 — — 8 / 8 / 2017325 — 216. 008 / 8 / 2027 — — 2 / 27 / 2018750 — 254. 162 / 27 / 2028 — — 1 / ~~01~~ **1** / 20191, 900 — 151. 201 / 1 / 2029 — — 2 / 24 / 20202, ~~259 150~~ **409 —** 161. 282 / 24 / ~~203064~~ -- **2030** ~~149~~ **— —** 5 / ~~06~~ **6** / 20201, ~~367 194~~ **561 —** 140. 405 / 6 / ~~2030194 452~~ **2030 — —** 2 / 22 / ~~20212~~ **20213**, ~~605~~ **549 236 (** 1 **)** ~~, 180~~ 149. 942 / 22 / ~~2031505~~ **2031101 (** 1 ~~, 177~~ **) 338** 9 / 2 / 20213, 380 — 30. 249 / 2 / 2031 — — 3 / 17 / ~~20221~~ **20222**, ~~825~~ **866 1, 300 (** 2 **)** ~~, 341~~ 10. 983 / 17 / ~~20322~~ **20321**, ~~341 5~~ **300 (2) 4**, ~~455~~ **355** 12 / 13 / ~~2023~~ **202315 —** ~~,~~ ~~62~~ **625 46**, ~~500~~ **875 (3)** 2. 7012 / 13 / ~~203362~~ -- **203346 , 875 (3) 157, 031 1 / 1 / 2024 — 62**, 500 ~~145~~ **(4) 2. 331 / 1 / 203462**, ~~625~~ **500 (4) 209, 375** Mutya Harsch2 / 27 / 20181, 250 — 254. 162 / 27 / 2028 — — 1 / 1 / 20191, 758 — 151. 201 / 1 / 2029 — — 2 / 24 / 20202, ~~259 150161~~ **409 — 161**. 282 / 24 / ~~203064~~ -- **2030** ~~149~~ **— —** 5 / 6 / ~~20201~~ **20202**, ~~824 258140~~ **082 — 140**. 405 / 6 / ~~2030260 606~~ **2030 — —** 2 / 22 / ~~20212~~ **20213**, ~~605~~ **549 236 (** 1 **)** ~~, 180~~ 149. 942 / 22 / ~~2031505~~ **2031101 (** 1 ~~, 177~~ **) 338** 9 / 2 / 20213, 380 — 30. 249 / 2 / 2031 — — 3 / 17 / ~~20221~~ **20222**, ~~825~~ **865 1, 300 (** 2 **)** ~~, 340~~ 10. 983 / 17 / ~~20322~~ **20321**, ~~341 5~~ **300 (2) 4**, ~~455~~ **355** 12 / 13 / ~~2023~~ **202315 —** ~~,~~ ~~62~~ **625 46**, ~~500~~ **875 (3)** 2. 7012 / 13 / ~~203362~~ -- **203346 , 875 (3) 157, 031 1 / 1 / 2024 — 62**, 500 ~~145, 625~~ **(4) 2. 331 /** 1 ~~. Equity~~ **/ 203462, 500 (4) 209, 375 (1) This** ~~awards~~ -- **award** ~~vest~~ **vested** ~~over a four year period~~ **25 % on March 31, 2022**, with **6.** 25 % vesting ~~on the first anniversary of the last day of the quarter in which the grant was made, and 6. 25 %~~ every quarter thereafter **through March 31, 2025, subject to the executive' s continuous service through each applicable vesting date** . **(** 2 **) This award vested 25 % on March 31, 2023, with 6** . **25 % vesting every quarter thereafter through March 31, 2026, subject to the executive' s continuous service through each applicable vesting date. (3) This award vested 25 % on December 31, 2024, with 6. 25 % vesting every quarter thereafter through December 31, 2027, subject to the executive' s continuous service through each applicable vesting date. (4) This award vests 25 % on March 31, 2025, with 6. 25 % vesting every quarter thereafter through March 31, 2028, subject to the executive' s continuous service through each applicable vesting date. (5)** The market value is based on the closing price of our common stock on December 31, ~~2023~~ **2024**. Compensation Arrangements with Named Executive Officers We have entered into agreements with each of our named executive officers in connection with his or her employment with us. These agreements set forth the terms and conditions of employment of each NEO, including base salary, target bonus and standard employee benefit plan participation. Our Board or the Compensation Committee reviews each NEO' s base salary and other compensation from time to time to ensure compensation adequately reflects the NEO' s qualifications, experience, role and responsibilities. The following summaries of the compensation arrangements do not purport to be complete and are qualified in their entirety by reference to each agreement. David Domzalski, President and Chief Executive Officer The terms of Mr. Domzalski' s employment are governed by his Offer Letter, dated as of March 25, 2020. Mr. Domzalski' s annual base salary is currently $ 637, 560. Mr. Domzalski is also eligible to receive an annual cash target bonus of 60 % of his base salary, up to the maximum bonus opportunity allowable under the applicable annual bonus plan or program in effect from time to time (such maximum bonus opportunity currently being 200 % of the target bonus), subject to the achievement of Company performance criteria determined by the Board or the Compensation Committee. Mr. Domzalski' s Offer Letter provides that if Mr. Domzalski' s employment is terminated by us without Cause or he resigns for Good Reason (each as defined below), then, subject to his execution and non- revocation of a release of claims, Mr. Domzalski will be entitled to receive (i) a severance payment equal to 100 % of his annual base salary then in effect, (ii) payment of COBRA premiums for healthcare plan continuation at active employee rates for 12 months following the date of termination and (iii) full accelerated vesting of all of outstanding and unvested stock options and restricted stock units on the date of termination, with such stock options remaining exercisable for 90 days following the date of termination. If Mr. Domzalski' s employment is terminated by us without Cause or he resigns for Good Reason, in each case, within 12 months following a Change in Control (as defined in the 2019 Plan), then, subject to his execution and non- revocation of a release of claims, Mr. Domzalski will be entitled to receive (i) a severance payment equal to 1. 5 times the sum of his base salary and target bonus for the year of termination, (ii) a prorated target annual bonus payment for the year of termination, (iii) payment of COBRA premiums for healthcare plan continuation at active employee rates for 18 months following the date of termination and (iv) full accelerated vesting of all of outstanding and unvested stock options and restricted stock units on the date of

termination, with such stock options remaining exercisable for 90 days following the date of termination. For purposes of Mr. Domzalski' s Offer Letter: " Cause " means (1) the executive' s commission of an act of fraud or dishonesty in the course of his employment; (2) his indictment, conviction or entering of a plea of nolo contendere for a crime constituting a felony; (3) his gross negligence or willful misconduct in connection with his employment; (4) his willful and continued failure to substantially perform his duties; (5) his breach of any of the restrictive covenants; or (6) a material breach of this agreement or any other agreement, plan or arrangement by and between Mr. Domzalski and us or any of our subsidiaries and affiliates or any of our policies or those of our subsidiaries and affiliates by Mr. Domzalski. " Good Reason " means (i) a material diminution in his base salary or target bonus (provided that failure to earn a bonus equal to or in excess of the target bonus by reason of failure to achieve applicable performance goals shall not be deemed Good Reason); (ii) a material diminution of his position, responsibilities, duties or authorities from those in effect as of the effective date; (iii) any change in reporting structure such that he is required to report to someone other than the Board; (iv) any material breach by us of our obligations under the Offer Letter; or (v) a change in his primary work location that increases his commute by more than 50 miles, in each case subject to certain notice and cure periods. We must provide Mr. Domzalski with 30 days' notice prior to a termination without Cause, and he must provide us with 30 days' notice prior to any resignation for Good Reason. The terms of Dr. Stuart' s employment are governed by his Offer Letter, dated as of March 7, 2022. Dr. Stuart' s annual base salary is currently $ ~~455~~ **471** , ~~555~~ **499** . Dr. Stuart is also eligible to receive an annual target bonus of 40 % of his annual base salary, up to the maximum bonus opportunity allowable under the applicable annual bonus plan or program in effect from time to time (such maximum bonus opportunity currently being 200 % of the target bonus). His eligibility for such annual target bonus, and the amount of such annual target bonus, is subject to the achievement of corporate performance goals and his achievement of individual performance targets and milestone criteria, as determined by the Chief Executive Officer, in accordance with our bonus plan. In the event of a termination of his employment without Cause (as defined in the 2019 Plan) or if he resigns for Good Reason, subject to Dr. Stuart' s execution of a release of claims, Dr. Stuart will receive (i) a lump sum severance payment equal to 75 % of his base salary then in effect and (ii) payment of COBRA premiums for healthcare plan continuation at active employee rates for nine months following the date of termination, provided that our obligation under clause (ii) shall terminate on the earlier of (x) the date on which he enrolls in a group health plan offered by another employer and (y) the date on which he is no longer eligible for continuation coverage under COBRA. In addition, if Dr. Stuart' s employment is terminated by us without Cause or if he terminates his employment with Good Reason within the twelve month period after a Change of Control, he will be entitled to receive a change of control payment equal to (i) one times the sum of his then current base salary plus his target bonus, (ii) his pro rata target bonus for the year of termination, and (iii) payment of COBRA premiums for healthcare plan continuation at active employee rates for 12 months following the date of termination, provided that our obligation under clause (iii) shall terminate on the earlier of (x) the date on which he enrolls in a group health plan offered by another employer and (y) the date on which he is no longer eligible for continuation coverage under COBRA. In addition, in the event of such a termination, all of Dr. Stuart' s unvested stock options and restricted stock units will become fully vested. For purposes of Dr. Stuart' s Offer Letter, " Good Reason " means: (i) a material reduction in his base salary; (ii) a material reduction in his target annual bonus opportunity; (iii) a relocation of his principal place of employment by more than 25 miles provided that such relocation increases his daily commute; or (iv) an adverse change in his position, including title, reporting relationship (s), authority, duties or responsibilities, in each case subject to certain notice and cure periods. We must provide Dr. Stuart with 30 days' notice prior to a termination without Cause, and he must provide us with 30 days' notice prior to any resignation for Good Reason. Dr. Stuart' s Offer Letter also contains customary confidentiality, non- competition and non- solicitation covenants. Mutya Harsch, Chief Legal Officer, General Counsel and Secretary The terms of Ms. Harsch' s employment are governed by her Offer Letter, dated as of April 7, 2021. Ms. Harsch' s annual base salary is currently $ ~~443~~ **458** , ~~280~~ **795** . Ms. Harsch is also eligible to receive an annual target bonus of 40 % of her annual base salary, up to the maximum bonus opportunity allowable under the applicable annual bonus plan or program in effect from time to time (such maximum bonus opportunity currently being 200 % of the target bonus). Her eligibility for such annual target bonus, and the amount of such annual target bonus, is subject to the achievement of corporate performance goals and her achievement of individual performance targets and milestone criteria, as determined by the Chief Executive Officer, in accordance with our bonus plan. The Offer Letter provides that, in the event of a termination of her employment without Cause (as defined in the 2019 Plan), subject to Ms. Harsch' s execution of a release of claims, Ms. Harsch will receive (i) a lump sum severance payment equal to 75 % of her base salary then in effect and (ii) payment of COBRA premiums for healthcare plan continuation at active employee rates for nine months following the date of termination, provided that our obligation under clause (ii) shall terminate on the earlier of (x) the date on which she enrolls in a group health plan offered by another employer and (y) the date on which she is no longer eligible for continuation coverage under COBRA. In addition, if Ms. Harsch' s employment is terminated by us without Cause or she terminates her employment with Good Reason within the twelve month period after a Change of Control (as defined in the 2019 Plan), she will be entitled to receive a change of control payment equal to (i) one times the sum of her then current base salary plus her target bonus, (ii) her pro rata target bonus for the year of termination, and (iii) payment of COBRA premiums for healthcare plan continuation at active employee rates for 12 months following the date of termination, provided that our obligation under clause (iii) shall terminate on the earlier of (x) the date on which she enrolls in a group health plan offered by another employer and (y) the date on which she is no longer eligible for continuation coverage under COBRA. In addition, in the event of such a termination, all of Ms. Harsch' s unvested stock options and restricted stock units will become fully vested. For purposes of Ms. Harsch' s Offer Letter, " Good Reason " means: (i) a material reduction in her base salary; (ii) a material reduction in her target annual bonus opportunity; (iii) a relocation of her principal place of employment by more than ~~twenty- five (~~ 25 ~~)~~ miles provided that such relocation increases her daily commute; or (iv) an adverse change in her position, including title, reporting relationship (s), authority, duties or responsibilities, in each case subject to certain notice and cure periods. We must provide Ms. Harsch with 30

days' notice prior to a termination without Cause, and she must provide us with 30 days' notice prior to any resignation for Good Reason. Ms. Harsch' s Offer Letter also contains customary confidentiality, non- competition and non- solicitation covenants. Clawback Policies In May 2021, the Board adopted a compensation clawback policy with respect to compensation paid to our executive officers. Under the terms of the policy, compensation can be recovered for a financial restatement or materially inaccurate performance calculation. In this case, we may seek recoupment of short and long- term cash or equity incentive compensation (including time- and performance- based awards) awarded after the effective date of the policy. In addition, compensation may be recovered for willful misconduct or gross negligence that results in material adverse reputational or economic impact on us. In this case, we may seek recoupment of 100 % of incentive compensation for " Cause " and if no " Cause, " recoupment is based on the impact of the triggering event, if quantifiable at the Compensation Committee' s discretion. In addition, in November 2023 we adopted an additional clawback policy as required by the Dodd- Frank Wall Street Reform and Consumer Protection Act and related stock exchange listing standards. The policy adopted in November 2023 is filed as an exhibit to this Annual Report on Form 10- K. **Policies and Practices Related to the Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information From time to time, we grant equity awards, including stock options, to our employees, including our named executive officers. Historically, we have typically granted new- hire option awards on, or within the calendar quarter of, a new hire' s employment start date and annual refresh employee option grants in the first quarter of each fiscal year, which refresh grants are typically approved at a regularly scheduled meeting of the Compensation Committee occurring in such quarter. Also, non- employee directors receive automatic grants of initial and annual stock option awards, at the time of a director' s initial appointment or election to the board and at the time of each annual meeting of our stockholders, respectively, pursuant to our non- employee director compensation policy, as further described under the heading, "** Director Compensation **— Non- Employee Director Compensation Policy " below. We do not otherwise maintain any written policies on the timing of awards of stock options, stock appreciation rights, or similar instruments with option- like features. The Compensation Committee considers whether there is any material nonpublic information (" MNPI ") about our company when determining the timing of stock option grants and does not seek to time the award of stock options in relation to our public disclosure of MNPI. We have not timed the release of MNPI for the purpose of affecting the value of executive compensation. The following table is being provided pursuant to Item 402 (x) (2) of Regulation S- K. Name (a) Grant date (b) Number of securities underlying the award (c) Exercise price of the award ($ / Sh) (d) Grant date fair value of the award (e) Percentage change in the closing market price of the securities underlying the award between the trading day ending immediately prior to the disclosure of material nonpublic information and the trading day beginning immediately following the disclosure of material nonpublic information (f) (1) David DomzalskiJanuary 1, 2024225, 000 $ 2. 33 $ 436, 500 1. 3 % Iain StuartJanuary 1, 202462, 500 $ 2. 33 $ 121, 500 1. 3 % Mutya HarschJanuary 1, 202462, 500 $ 2. 33 $ 121, 500 1. 3 % (1) The option grants reported in this table were made two business days before the Company filed a Form 8- K under Item 5. 02 reporting the previously disclosed appointment of Dr. Christine Borowski as a non- employee director of the Company. Non- Employee Director Compensation Policy Our Board adopted a non- employee director compensation policy effective as of December 11, 2023.** Set forth below is a summary of the compensation paid to the non- executive members of the Board during ~~2023~~ **2024 pursuant to the policy** . Initial Equity Grants. Each non- employee director who joins the Board will receive, upon appointment, options to purchase shares of our common stock representing two times the annual grant described below. The options will vest and become exercisable as to one- third of the shares on each of the first three anniversaries of the date of grant, subject to the director' s continued service through each applicable vesting date. Annual Grant. Each non- executive director who has served as a director on our Board for at least six months will be granted options to purchase an amount of shares of our common stock representing 0. ~~046~~ **047** % of the shares outstanding (inclusive of pre- funded warrants) on the date of our annual meeting of stockholders. The options vest on the one- year anniversary of the date of grant. The exercise price per share of each option granted as described above will be equal to the per share fair market value of our stock on the date of grant. Each such option will have a term of ten years from the date of grant, subject to earlier termination in connection with a termination of the non- employee director' s service with us. In the event of a change of control transaction, any unvested portion of an equity award granted under this policy will fully vest and become exercisable immediately prior to the effective date of such transaction, subject to the non- employee director' s continuous service with us on the effective date of such transaction. Annual Cash Retainers. Each of our non- employee directors receives an annual cash retainer of $ 40, 000, payable quarterly in arrears, prorated based on the days served in the applicable fiscal quarter. In addition to the annual cash retainer, each of our non- employee directors receives fees for their service as a member or chair of a committee of our Board as set forth in the table below: Additional annual retainer fees for service as a member or chair of the following committees (with chair fees inclusive of fees for service as a member) **:** MemberChairAudit Committee $ 10, 000 $ 20, 000 Compensation Committee $ 7, 500 $ 15, 000 Nominating and Corporate Governance Committee $ 5, 000 $ 10, 000 In addition, if a non- employee director is appointed to serve in a leadership position on the Board, such non- employee director will be entitled to receive additional annual cash compensation of $ 40, 000 for service as non- employee chair of the Board or $ 25, 000 for service as lead independent director. We also reimburse all of our non- employee directors for their reasonable and customary business expenses incurred in connection with their service as a director. None of our non- employee directors may receive cash and equity- based compensation (calculated based on grant date fair value) exceeding, in the aggregate, $ 750, 000 in any calendar year **or $ 1, 000, 000 in the calendar year a director is first appointed or elected to the Board. One- Time Option Grant On January 1, 2024, our Compensation Committee granted each non- executive director (except for Ms. Borowski) a one- time option grant for 20, 000 shares of our common stock, which will vest on January 1, 2025, subject to each director' s continuous service through such date. The Compensation Committee granted these one- time awards following consultation with the Company' s independent compensation consultant, taking into consideration that all**

equity awards for directors were significantly underwater and that in light of the Company' s recent financing (among other things), director stock ownership levels, based on the total shares outstanding inclusive of shares underlying pre-funded warrants, were well below the target levels for the Company' s peer companies . Director Compensation Table The following table sets forth information for the fiscal year ended December 31, ~~2023~~ **2024** regarding the compensation awarded to, earned by or paid to our non - executive directors. NameFees Earned or Paid in Cash ($) Option Awards ($) (1) (2) Total Compensation ($) Sharon ~~Barbari72~~ - **Barbari67** , ~~500~~ **788 76, 200** ~~43~~ **143** , **988** ~~600 116, 100~~ Steven ~~Basta40~~ **Basta49** , ~~000 43~~ **425 76** , ~~600 83~~ **200 125** , ~~600~~ **625 Christine Borowski (3) 44, 712 115, 400 160, 112** Anthony Bruno57, 500 ~~43~~ **76** , ~~600 101~~ **200 133** , ~~100~~ **700** Patrick ~~LePore80~~ **LePore70** , ~~000 43~~ **575 76** , ~~600 123~~ **200 146** , ~~600~~ **775** Elisabeth Sandoval Little65, 000 ~~43~~ **76** , ~~600 108~~ **200 141** , ~~600~~ **200** (1) Represent the grant date fair value of stock options granted as computed in accordance with ASC 718. The assumptions used in calculating the grant date fair value are set forth in Note 13 to the financial statements included in this Annual Report on Form 10- K. (2) Each of our non- employee directors was granted an option to purchase 20, 000 shares of our common stock on December ~~13~~ **12** , ~~2023~~ **2024** at an exercise price of $ 2. ~~70~~ **40. (3) Dr. Borowski was appointed as a director, effective January 1, 2024. The amount reported in the Option Awards column includes the grant date fair value of the initial grant made to Dr. Borowski when she joined the Board** . As of December 31, ~~2023~~ **2024** , our non- employee directors held the following equity awards: NameShares Underlying Outstanding OptionsSharon ~~Barbari23~~ **Barbari63** , 407 Steven ~~Basta34~~ **Basta74** , 285 **Christine Borowski60, 000** Anthony ~~Bruno23~~ **Bruno63** , 213 Patrick ~~LePore22~~ - **LePore62** , 901 Elisabeth Sandoval ~~Little23~~ **Little63** , 837 ITEM 12- SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS The following table sets forth information relating to the beneficial ownership of our common stock as of February 14, ~~2024~~ **2025** , by: • each person, or group of affiliated persons, known by us to beneficially own more than 5 % of our outstanding shares of common stock; • each of our directors; • each of our named executive officers; and • all of our current directors and executive officers as a group. The number of shares beneficially owned by each entity, person, director or executive officer is determined in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares over which the individual has sole or shared voting power or investment power as well as any shares that the individual has the right to acquire within 60 days after February 14, ~~2024~~ **2025** through the exercise of any stock option, warrants or other rights. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock held by that person. The percentage of shares beneficially owned is computed on the basis of ~~14~~ **15** , ~~098~~ **209** , ~~888~~ **862** shares of our common stock outstanding as of February 14, ~~2024~~ **2025** . Shares of our common stock that a person has the right to acquire within 60 days after February 14, ~~2024~~ **2025** are deemed outstanding for purposes of computing the percentage ownership of the person holding such rights, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all directors and executive officers as a group. Unless otherwise indicated below, the address for each beneficial owner listed is c / o VYNE Therapeutics Inc., 685 Route 202 / 206 N., Suite 301, Bridgewater, NJ 08807. Name of Beneficial OwnerNumber ofShares Ownedand Nature ofBeneficialOwnershipPercent of Class5 % and Greater Stockholders: AI Biotechnology LLC (1) 1, ~~408~~ **519** , ~~478~~ **465** 9. 99 % Cormorant Global Healthcare Master Fund, LP (2) 1, ~~408~~ **519** , ~~478~~ **465** 9. 99 % Eventide Healthcare Innovation Fund I LP (3) 1, ~~408~~ **519** , ~~478~~ **465** 9. 99 % Citadel CEMF Investments Ltd. (4) 1, 181, 088 ~~8~~ **7** . ~~38~~ **77** % Named Executive Officers and Directors: David Domzalski (5) ~~119~~ **370** , ~~709 *~~ **498 2. 39 %** Mutya Harsch (6) ~~37~~ **106** , ~~497~~ **508** * Iain Stuart (7) ~~23~~ **92** , ~~828~~ **501** * Steven Basta (8) ~~21~~ **61** , 735 * Sharon Barbari (9) ~~4~~ **44** , 448 * Anthony Bruno (10) ~~5~~ **45** , 088 * Patrick LePore (11) ~~39~~ **94** , 373 * Elisabeth Sandoval Little (12) ~~3~~ **43** , 837 * Christine Borowski — **(13) 13, 334** * All current directors and executive officers as a group (10 persons) (~~13~~ **14**) ~~255~~ **933** , ~~972 1~~ **842 5** . ~~9~~ **86** % * Indicates beneficial ownership of less than 1 % of the total outstanding common stock. (1) This information has been obtained from a Schedule 13D filed on November 13, 2023 by AI Biotechnology LLC, Access Industries Holdings LLC (" AIH"), Access Industries Management, LLC (" AIM") and Mr. Len Blavatnik. Consists of (i) 1, 116, 585 shares of common stock and (ii) ~~291~~ **402** , ~~893~~ **880** shares of common stock issuable upon exercise of Pre- Funded Warrants. Such amount does not include 7, ~~500~~ **389** , ~~555~~ **568** shares of common stock issuable upon exercise of Pre- Funded Warrants because they are subject to limitations on exercisability if such exercise would result in entities affiliated with AI Biotechnology LLC beneficially owning more than 9. 99 % of our common stock then issued and outstanding after giving effect to such exercise. AIH directly controls all of the outstanding voting interest in AI Biotechnology LLC. AIM controls AIH. Len Blavatnik controls AIM and holds a majority of the outstanding voting interests in AIH. By virtue of the foregoing, each of Len Blavatnik, AIM and AIH may be deemed to have voting and investment power over the Shares held by AI Biotechnology LLC. The business address of each of AI Biotechnology LLC, AIM, AIH and Len Blavatnik is c / o Access Industries, Inc. 40 West 57th Street, 28th Floor, New York, NY 10019. (2) This information has been obtained from a Schedule 13G filed on November 13, 2023 by Cormorant Global Healthcare Master Fund, LP (" Cormorant LP"), Cormorant Global Healthcare GP, LLC (" Cormorant GP"), Cormorant Asset Management, LP (" Cormorant AM LP") and Bihua Chen. Consists of 1, 394, 336 shares of common stock held by Cormorant LP and ~~14~~ **125** , ~~142~~ **129** shares of common stock issuable upon exercise of Pre- Funded Warrants. Such amount does not include ~~3~~ **2** , ~~046~~ **935** , ~~001~~ **014** shares of common stock issuable upon exercise of Pre- Funded Warrants because they are subject to limitations on exercisability if such exercise would result in entities affiliated with Cormorant LP beneficially owning more than 9. 99 % of our common stock then issued and outstanding after giving effect to such exercise. Cormorant GP serves as the General Partner of Cormorant LP. Cormorant AM LP serves as the investment manager to Cormorant LP. Bihua Chen serves as the Managing Member of Cormorant GP and the General Partner of Cormorant AM LP (together with Cormorant LP, the" Cormorant Entities"). By virtue of the foregoing, each of Bihua Chen and the Cormorant Entities may be deemed to have voting and investment power over the shares held by Cormorant LP. The business address of each of Bihua Chen and the Cormorant Entities is 200 Clarendon St., 52nd Floor, Boston, Massachusetts 02116. (3)

This information has been obtained from a Schedule 13G filed on November 13, 2023 by Eventide Asset Management, LLC (" EAM"), Finny Kuruvilla and Robin John. Consists of 1, 394, 336 shares of common stock held by Eventide Healthcare Innovation Fund I LP (" Eventide LP") and ~~14~~ **125** , ~~142~~ **129** shares of common stock issuable upon exercise of Pre- Funded Warrants. Such amount does not include 5, ~~273~~ **162** , ~~271~~ **284** shares of common stock issuable upon exercise of Pre- Funded Warrants because they are subject to limitations on exercisability if such exercise would result in entities affiliated with Eventide LP beneficially owning more than 9. 99 % of our common stock then issued and outstanding after giving effect to such exercise. Eventide Healthcare Innovation GP LLC (" Eventide GP") is the General Partner of Eventide LP. EAM is the Managing Member of Eventide GP. Robin John is the chief executive officer of EAM. Finny Kuruvilla and Kyle Rasbach are members of Eventide LP' s investment committee. By virtue of the foregoing, each of Mr. John, EAM and Eventide GP may be deemed to have, and Mr. Kuruvilla and Mr. Rasbach may be deemed to share, voting and investment power over the Shares held by Eventide LP. The business address of each of Eventide LP, Eventide GP, EAM, Mr. John, Mr. Kuruvilla and Mr. Rasbach is Eventide Healthcare Innovation Fund I LP c / o Eventide Asset Management, LLC, 1 International Place, Suite 4210, Boston, MA 02110. (4) This information has been obtained from a Schedule 13G / A filed on February 14, 2024 by Citadel Advisors LLC (" Citadel Advisors "), Citadel Advisors Holdings LP (" CAH "), Citadel GP LLC (" CGP "), Citadel Securities LLC (" Citadel Securities "), Citadel Securities Group LP, Citadel Securities GP LLC and Mr. Kenneth Griffin. Consists of 1, 181, 088 shares of common stock held by Citadel CEMF Investments Ltd. (" CCIL") and Citadel Securities. Citadel Advisors is the portfolio manager of CCIL. CAH is the sole member of Citadel Advisors. CGP is the General Partner of CAH. Kenneth Griffin owns a controlling interest in CGP. Mr. Griffin, as the owner of a controlling interest in CGP, may be deemed to have shared power to vote and / or shared power to dispose of the securities held by CCIL. This disclosure shall not be construed as an admission that Mr. Griffin or any of the Citadel related entities listed above is the beneficial owner of any securities of the Company other than the securities actually owned by such person (if any). The business address of CCIL is c / o Citadel Enterprise Americas LLC, Southeast Financial Center, 200 S. Biscayne Blvd., Suite 3300, Miami, FL 33131. (5) Includes **82,** ~~37~~ **370** ~~, 137~~ shares of common stock ~~and 85~~ , ~~572~~ **216, 199** shares of common stock underlying options **that are exercisable within 60 days of February 14, 2025,** and **71, 929 shares of common stock underlying** restricted stock units that **are scheduled to** ~~have vested or will~~ vest within 60 days of February 14, ~~2024~~ **2025** . (6) Includes ~~21~~ **33** , ~~265~~ **553** shares of common stock ~~and 16~~ , ~~232~~ **52, 945** shares of common stock underlying options **that are exercisable within 60 days of February 14, 2025,** and **20, 010 shares of common stock underlying** restricted stock units that **are scheduled to** ~~have vested or will~~ vest within 60 days of February 14, ~~2024~~ **2025** . (7) Includes ~~7~~ **19** , ~~150~~ **217** shares of common stock ~~and 16~~ , ~~678~~ **53, 392** shares of common stock underlying options **that are exercisable within 60 days of February 14, 2025,** and **19, 892 shares of common stock underlying** restricted stock units that **are scheduled to** ~~have vested or will~~ vest within 60 days of February 14, ~~2024~~ **2025** . (8) Consists of (i) 2, ~~585~~ **842** shares of common stock, (ii) 3, 601 shares of common stock held by The Shelter Trust under the Basta Revocable Trust (the " Shelter Trust "), (iii) 1, ~~264~~ **007** shares of common stock held by the Basta Revocable Trust dated August 4, 2017 (the " Basta Trust "), and (iv) ~~14~~ **54** , 285 shares of common stock underlying options that **are exercisable** ~~have vested or will vest~~ within 60 days of February 14, ~~2024~~ **2025** . As the trustee of each of the Shelter Trust and the Basta Trust, Mr. Basta has voting and investment power over the shares of common stock held by each of the Shelter Trust and the Basta Trust. (9) Includes 1, 041 shares of common stock and ~~3~~ **43** , 407 shares of common stock underlying options that **are exercisable** ~~have vested or will vest~~ within 60 days of February 14, ~~2024~~ **2025** . (10) Includes 1, 875 shares of common stock and ~~3~~ **43** , 213 shares of common stock underlying options that **are exercisable** ~~have vested or will vest~~ within 60 days of February 14, ~~2024~~ **2025** . (11) Includes ~~36~~ **51** , 472 shares of common stock and ~~2~~ **42** , 901 shares of common stock underlying options that **are exercisable** ~~have vested or will vest~~ within 60 days of February 14, ~~2024~~ **2025** . (12) Includes ~~3~~ **43** , 837 shares of common stock underlying options that ~~have vested or will~~ **are exercisable within 60 days of February 14, 2025. (13) Includes 13, 334 shares of common stock underlying options that are exercisable within 60 days of February 14, 2025. (14) Includes 607, 734 shares of common stock underlying options that are exercisable within 60 days of February 14, 2025 and 111, 831 shares of common stock underlying restricted stock units that are scheduled to** vest within 60 days of February 14, ~~2024~~ **2025** ~~. (13) Includes 151, 183 shares of common stock underlying options or restricted stock units that have vested or will vest within 60 days of February 14, 2024~~ . Securities Authorized for Issuance Under Equity Compensation Plans The following table contains information about our equity compensation plans as of December 31, ~~2023~~ **2024** . Plan CategoryNumber ofsecuritiesto be issued uponexercise ofoutstandingoptions, warrantsand rights and vesting of ~~RSUs (1) Weighted~~ **RSUsWeighted** - averageexercise price ofoutstanding options, warrants and rights ~~and weighted- average grant date price of RSUsNumber~~ ---- **Number** of securitiesremaining availablefor future issuanceunder ~~equitycompensationplans~~ **equitycompensationplansEquity** ~~(2) Equity~~ compensation plans approved by securityholders **2, 205, 019 (** 1 **)** ~~, 205, 516~~ $ ~~27~~ **12** . ~~02~~ **96** 1, ~~231~~ **661** , ~~058~~ **679 (3)** Equity compensation plans not approved bysecurity ~~holders~~ **holders130** ~~—~~ **, 000 (2)** $ ~~— — —~~ **1. 96 1 (4)** ~~Total1~~ **Total2** , ~~205~~ **335** , ~~516~~ **019** $ ~~27~~ **14** . ~~02~~ **92** 1, ~~231~~ **661** , ~~058~~ **680** (1) Includes all ~~amounts~~ **awards** outstanding under the 2023 ~~Equity Incentive~~ Plan ~~(~~ **,** the **2019** ~~" 2023~~ Plan ~~"), the 2019 Equity Incentive Plan~~ , the 2018 ~~Omnibus Incentive~~ Plan, the Foamix Pharmaceuticals Ltd. 2015 Israeli Share Incentive Plan, the Tigercat Pharma, Inc. 2011 Stock Incentive Plan or the Foamix Pharmaceuticals Ltd. 2009 Israeli Share Option Plan (collectively, the" Prior Plans"). **We** ~~As of December 13, 2023, we may only issue equity awards pursuant to the 2023 Plan, and~~ may no longer issue awards pursuant to any of the Prior Plans. **Weighted average exercise price gives effect to outstanding restricted stock units, which have no exercise price. Excluding the restricted stock units, the weighted average exercise price would be $ 19. 65 per share. For a description of the material terms of our equity plan, see " Item 8 — Notes to Consolidated Financial Statements — Note 13 — Share- Based Compensation. "** (2) Includes **stock options outstanding under our Inducement Plan. For a description of the material terms of our equity plans, see " Item 8 — Notes to Consolidated Financial Statements — Note 13 — Share- Based Compensation. " (3) Includes** 1, ~~129~~ **574** , ~~856~~ **557** shares available for future issuance under the 2023 Plan and ~~101~~ **87**

, ~~202~~ **122** shares available for future purchase under the ~~2019 Employee~~ **ESPP, and one** ~~Share~~ **share** ~~Purchase~~ **available for future grant under the Inducement Plan. (4) Includes 1 share available for future issuance under our Inducement** Plan. ITEM 13- CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE Policies and Procedures for Related Party Transactions Our Board has adopted a written related person transaction policy setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy covers, with certain exceptions set forth in Item 404 of Regulation S- K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds $ 120, 000 and a related person had or will have a direct or indirect material interest, including without limitation purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our Audit Committee considers all relevant facts and circumstances, including but not limited to whether the transaction is on terms comparable to those that could be obtained in an arm' s length transaction with an unrelated third party and the extent of the related person' s interest in the transaction. Certain Related Party Transactions The following is a description of transactions **since January 1, 2023** ~~during our last two fiscal years~~ to which we have been a party, in which the amount involved exceeds $ 120, 000, and in which any of our directors, executive officers or beneficial owners of more than 5 % of our ~~capital stock~~ **voting securities** , or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest. Director and Executive Officer Compensation Please see " Director Compensation " and " Executive Compensation " for information regarding the compensation of our directors and executive officers. Employment Agreements We have entered into employment agreements with our executive officers. For more information regarding these agreements, see" Item 11. Executive Compensation." Indemnification Agreements and Directors' and Officers' Liability Insurance We have entered into indemnification agreements with each of our directors and executive officers. These agreements require us to, among other things, indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, penalties fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person' s services as a director or executive officer. We have obtained an insurance policy that insures our directors and officers against certain liabilities, including liabilities arising under applicable securities laws. Independence of Board of Directors and its Committees Under Nasdaq listing standards, independent directors must comprise a majority of a listed company' s board of directors within a specified period of the closing of our initial public offering. In addition, the rules of Nasdaq require that, subject to specified exceptions, each member of a listed company' s audit, compensation and nominating and corporate governance committees be independent. Under the rules of Nasdaq, a director will only qualify as an " independent director " if, in the opinion of that company' s board of directors, the director does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Audit committee members must also satisfy the independence criteria set forth in Rule 10A- 3 under the Exchange Act. In order to be considered independent for purposes of Rule 10A- 3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: (1) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries. We currently satisfy the audit committee independence requirements of Rule 10A- 3. Additionally, compensation committee members must not have a relationship with us that is material to the director' s ability to be independent from management in connection with the duties of a compensation committee member. Our Board has undertaken a review of the independence of each director and considered whether each director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. As a result of this review, our Board determined that each of our directors, except for Mr. Domzalski as our chief executive officer, is an independent director as defined under the applicable rules and regulations of the SEC and the listing requirements and rules of Nasdaq. ITEM 14- PRINCIPAL ACCOUNTANT FEES AND SERVICES Baker Tilly US, LLP served as our principal independent registered public accounting firm for the years ended December 31, **2024 and** 2023 ~~and 2022~~ . The following table provides information regarding fees paid by us to Baker Tilly US, LLP ~~and BTI network firms (Baker Tilly Israel)~~ for the years ended December 31, **2024 and** 2023 ~~and 2022~~ : Year ended December 31, ~~20232022~~ **20242023** (U. S. dollars in thousands) Audit fees (1) $ **359 $** 379 ~~$ 355~~ Tax fees (2) **4** 16 ~~15~~ Total Fees $ **363 $** 395 ~~$ 370~~ _____ (1) Includes professional services rendered in connection with the audit of our annual financial statements, the review of our interim financial statements and fees for registration statements, comfort letters and statutory audits. (2) Includes professional services rendered for tax compliance services. Our audit committee' s specific responsibilities in carrying out its oversight of the quality and integrity of our accounting, auditing and reporting practices include the approval of audit and non- audit services to be provided by the external auditor. The audit committee pre- approves all non- audit services provided to us by our independent registered public accounting firm. PART IV ITEM 15- EXHIBITS AND FINANCIAL STATEMENT SCHEDULES (a) Documents Filed as Part of This Report 1. Financial statements. See Index to Financial Statements under Item 8 of Part II of this Annual Report on Form 10- K, which is incorporated herein by reference. 2. Financial statement schedules. No schedules are applicable or required, or the information is included in the consolidated financial statements or notes thereto. 3. Exhibits. See Item 15 (b) below. (b) Exhibits Incorporation by ReferenceExhibit NumberDescription Of DocumentFormSEC File No. ExhibitFiling DateFiled Herewith3. 1 (a) Amended and Restated Certificate of Incorporation. 10- K001- 383563. 1March 17, 20223. 1 (b) Certificate of ~~Designation of Preferences, Rights, and Limitations of Series A Convertible Preferred Stock. 10- Q001- 383563. 1 (b) November 14, 20223. 1 (c) Certificate of Elimination of Series A Convertible Preferred Stock. 8- K001- 383563. 1January 17, 20233. 1 (d) Certificate of~~ Amendment to the Amended and Restated Certificate of Incorporation. 8- K001- 383563. 1February 10, 20233. 2Amended and Restated

Bylaws. 10- Q001- 383563. 2November 14, 20224. 1Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934. 10- K001- 383564. 1March 14, 20234. 2Second Amended and Restated Warrant, by and among VYNE Therapeutics Inc. and Perceptive Credit Holdings II, LP. 10- Q001- 383564. 1May 11, 20204. 3Second Amended and Restated Warrant, by and among VYNE Therapeutics Inc. and Orbimed Royalty & Credit Opportunities III, LP. 10- Q001- 383564. 2May 11, 20204. 4Form of Pre- Funded Warrant to Purchase Common Stock. 8- K001- 383564. 1October 30, 202310. 1 † * License Agreement (Topical), dated as of August 9, 2021, by and between In4Derm Limited and VYNE Therapeutics Inc. 10- Q001- 3835610. 1November, 10, ~~2021~~ **202110** ~~10~~. 2 † * License Agreement (Oral), dated as of April 28, 2023, by and between Tay Therapeutics and VYNE Therapeutics Inc. 10- Q001- 3835610. 1August 14, 202310. 3Sales Agreement, dated as of March 1, 2024, by and between VYNE Therapeutics Inc. and Cowen and Company, LLC. ~~X10~~ **10- K001- 3835610. 3March 1, 202410**. 4 # 2009 Israeli Share Option Plan. F- 1 / A001- 3662110. 1September 3, ~~201410~~ **2014 10**. 5 (a) # 2011 Stock Incentive Plan, as amended. S- 1001- 3835610. 4 (a) December 28, 201710. 5 (b) # Amendment to 2011 Stock Incentive Plan. S- 1001- 3835610. 4 (b) December 28, 201710. 5 (c) # Form of Stock Option Agreement under 2011 Stock Incentive Plan. S- 1001- 3835610. 4 (c) December 28, 201710. 5 (d) # Form of Immediately Exercisable Stock Option Agreement under 2011 Stock Incentive Plan. S- 1001- 3835610. 4 (d) December 28, 201710. 6 # 2015 Israeli Share Incentive Plan. F- 3001- 3662110. 2October 21, 201510. 7 (a) # 2018 Omnibus Incentive Plan. S- 1 / A001- 3835610. 5 (a) January 12, 201810. 7 (b) # Form of Stock Option Grant Notice and Stock Option Agreement under the 2018 Equity Incentive Plan. S- 1 / A001- 3835610. 5 (b) January 12, 201810. 7 (c) # Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Agreement under the 2018 Equity Incentive Plan. 10- K001- 3835610. 11 (c) March 4, 202110. 8 (a) # 2019 Equity Incentive Plan. 10- Q001- 3835610. 5May 11, 202010. 8 (b) # Form of Share Option Grant Notice and Option Agreement under the 2019 Equity Incentive Plan for U. S. and Israeli Employees. 10- Q001- 3835610. 8May 11, 202010. 8 (c) # Form of Restricted Share Unit Grant Notice and Restricted Share Unit Award Agreement under the 2019 Equity Incentive Plan for U. S. and Israeli Employees. 10- Q001- 3835610. 9May 11, 202010. 9 # 2019 Employee Share Purchase Plan. 10- Q001- 3835610. 10May 11, 202010. 10 # Offer Letter, dated as of March 25, 2020, by and between VYNE Pharmaceuticals Inc. and David Domzalski. 10- Q001- 3835610. 13May 11, 202010. 11 # Offer Letter, dated as of April 7, 2021, by and between VYNE Pharmaceuticals Inc. and Mutya Harsch. 10- Q001- 3835610. 2May 6, 202110. 12 # Offer Letter, dated as of March 7, 2022, by and between VYNE Pharmaceuticals Inc. and Iain Stuart. 10- K001- 3835610. 12March 17, ~~2022~~ **202210** ~~10~~. 13 # Offer Letter, dated as of March 15, 2022, by and between VYNE Pharmaceuticals Inc. and Tyler Zeronda. 10- K001- 3835610. 13March 17, 202210. 14Form of Securities Purchase Agreement, dated as of October 27, 2023, by and among VYNE Therapeutics Inc. and the Purchasers. 8- K001- 3835610. 1October 30, 202310. 15Form of Registration Rights Agreement, dated as of October 27, 2023, by and among VYNE Therapeutics Inc. and the Purchasers. 8- K001- 3835610. 2October 30, 202310. 16 (a) # VYNE Therapeutics Inc. 2023 Equity Incentive Plan. 8- K001- 3835610. 1December 13, ~~202310~~ **2023 10**. 16 (b) # Form of Director Option Grant Notice and Option Agreement under the 2023 Equity Incentive Plan8- K001- 3835610. 2December 13, 202310. 16 (c) # Form of Employee Option Grant Notice and Option Agreement under the 2023 Equity Incentive Plan. 8- K001- 3835610. 3December 13, 202310. 16 (d) # Form of Employee Restricted Share Unit Grant Notice and Restricted Share Unit Award Agreement under the 2023 Equity Incentive Plan. 8- K001- 3835610. 4December 13, 202310. 17 # Non- Employee Director Compensation **Policy. 10- K001- 3835610. 17March 1, 202410. 18First amendment to VYNE Therapeutics Inc. 2023 Equity Incentive Plan8- K001- 3835610. 1December 12, 202410. 19 † * Amendment to License Agreement (Topical) dated as February 12, 2025, by and between Tay Therapeutics Inc. and VYNE Therapeutics Inc. X19Insider Trading** Policy. X21. 1List of Subsidiaries of VYNE Therapeutics Inc. X23. 1Consent of independent registered public accounting firm. X24. 1Power of Attorney (included on signature page). X31. 1Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes- Oxley Act of 2002X31. 2Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes- Oxley Act of 2002X32. 1 * * Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes- Oxley Act of 2002X32. 2 * * Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes- Oxley Act of 2002X97. 1 # VYNE Therapeutics Inc. Incentive Compensation Recoupment Policy, dated November 8, 2023. ~~X 101~~ **10- K001- 3835697. 1March 1, 2024101**. INSXBRL Instance Document- the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. X101. SCHXBRL Taxonomy Extension Schema DocumentX101. CALXBRL Taxonomy Extension Calculation Linkbase DocumentX101. DEFXBRL Taxonomy Extension Definition DocumentX101. LABXBRL Taxonomy Extension Label ~~DocumentX101~~ **DocumentX 101**. PREXBRL Taxonomy Presentation Linkbase DocumentX104Cover Page Interactive Data Filed (embedded within the XBRL document) * Exhibits and schedules omitted pursuant to Item 601 (a) (5) of Regulation S- K. † Portions of this exhibit have been omitted in accordance with Item 601 (b) (10) (iv) of Regulation S- K because the identified confidential portions are not material and are of the type that the registrant treats as private or confidential. # Indicates management contract or compensatory plan. * * These certifications are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Annual Report on Form 10- K, irrespective of any general incorporation language contained in such filing. The agreements and other documents filed as exhibits to this Annual Report on Form 10- K are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time. ITEM 16- FORM 10- K SUMMARY None. SIGNATURES Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. Dated: March ~~1~~ **6**, ~~2024~~ **2025** VYNE Therapeutics Inc. By: / s / David DomzalskiDavid DomzalskiChief Executive Officer KNOW ALL MEN AND

WOMEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints David Domzalski ~~and ,~~ Tyler Zeronda **and Mutya Harsch** , and each of them, his or her attorney- in- fact and agent, each with the power of substitution, for him or her in any and all capacities, to sign any and all amendments to this Annual Report on Form 10- K, and to file the same, with exhibits thereto and other documents in connection therewith, with the U. S. Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys- in- fact, or his or her or their substitute or substitutes, may do or cause to be done by virtue thereof. Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized. SignatureTitleDate / s / David DomzalskiDirector and Chief Executive Officer (Principal Executive Officer) March ~~1~~ **6** , ~~2024David~~ **2025David** Domzalski / s / Tyler ZerondaChief Financial Officer (Principal Financial Officer and Principal Accounting Officer) March ~~1~~ **6** , ~~2024Tyler~~ **2025Tyler** Zeronda / s / Sharon BarbariDirectorMarch ~~1~~ **6** , ~~2024Sharon~~ **2025Sharon** Barbari / s / Steven BastaDirectorMarch ~~1~~ **6** , ~~2024Steven~~ **2025Steven** Basta / s / Christine BorowskiDirectorMarch ~~1~~ **6** , ~~2024Christine~~ **2025Christine** Borowski / s / Anthony BrunoDirectorMarch ~~1~~ **6** , ~~2024Anthony~~ **2025Anthony** Bruno / s / Patrick LePoreDirectorMarch ~~1~~ **6** , ~~2024Patrick~~ **2025Patrick** LePore / s / Elisabeth Sandoval LittleDirectorMarch ~~1~~ **6** , ~~2024Elisabeth~~ **2025Elisabeth** Sandoval Little ~~$ 50~~ **Tay Therapeutics LtdDundee University Incubator3 James Lindsay PlaceDundeeDD1 5JJ 685 Route 202 / 206** , **Suite 301 Attention** ~~000, 000SALES AGREEMENT 599 Lexington Avenue New York, NY 10022 Ladies and Gentlemen~~ : **Chief Scientific Officer With copy by email to: Iain Stuart (Iain. Stuart @ VYNEtx. com) With copy to: Attention: General Counsel With copy by email to: Mutya Harsch (Mutya. Harsch @ VYNEtx. com) Licence Agreement (Topical) – Termination of Head Licence 12 February 2025 Dear Sir or Madam, With reference to our recent discussions regarding the License Agreement (Topical) between Tay Therapeutics Inc. (“ Tay ”) and** VYNE Therapeutics Inc. (**“ VYNE ”) dated 9 August 2021 (the “ Agreement ”), we are writing to record our mutual agreement as stated below. Unless they are defined with a capital letter, all terms set forth in this letter agreement shall bear the meaning set forth in the Agreement. Pursuant to the Agreement, VYNE has been granted a sublicense under certain intellectual property which was licensed to Tay by the University of Dundee (“ Dundee ”) pursuant to that certain licence agreement between Tay and Dundee effective as of 24 July 2020 and amended and restated on 8 October 2021 (the “ Head License ”). Tay and Dundee now wish to enter into an agreement for the termination of the Head License and assignment of such intellectual property from Dundee and Tay. Accordingly, in consideration of the payment by Tay to VYNE of the sum of one pound sterling (£ 1) receipt of which is acknowledged, Tay and VYNE hereby acknowledge and agree to the following: 1. With effect from the date of termination of the Head License by written agreement of Tay and Dundee, the Agreement shall be deemed to be amended as follows: a. The entire text of Section 1. 36 is deleted and replaced with the words" Not used". b. The last sentence of Section 2. 2 (Sublicenses) is deleted. c. The last four sentences of Section 2. 3 (Retained Rights) are deleted. d. Section 8. 8 (Audits) is deemed to be amended such that the rights of Dundee thereunder shall cease to apply on and from the date that is six (6) years after the date of termination of the Head License. e. Section 9. 2. 1 (In4Derm Patents and Joint Patents) is deleted and replaced with the following new Section 9. 2. 1: “ 9. 2. 1 In4Derm Patents and Joint Patents. (a) VYNE has the first right, but not the obligation, through the use of internal counsel, or outside counsel reasonably acceptable to In4Derm, to prepare, file, prosecute, and maintain the In4Derm Patents (on behalf of and in the name of In4Derm) and the Joint Patents worldwide, at VYNE’ s expense; including, for clarity, the In4Derm Patent entitled ‘ Compounds comprising n- methyl- 2- pyridone, and pharmaceutically acceptable salts’ (PCT / EP2020 / 061173) and any national or regional filings, continuations, continuations in part, extensions, reissues, divisions, and any patents, supplementary protection certificates and similar rights that are based on or derive priority from the foregoing (together, the “ Assigned Patent Rights ”). To the extent, if any, there are one or more Compounds not Covered by an In4Derm Patent or Joint Patent at the Effective Date, In4Derm shall promptly cooperate and assist VYNE in preparing and filing one or more patent applications claiming such Compounds and shall disclose the Compounds and related information in at least sufficient detail to permit an understanding of the nature of the inventions in relation to the Compounds by a practitioner reasonably skilled in the relevant technical or scientific area and to enable preparation and filing of said applications. (b) VYNE shall keep In4Derm reasonably informed of all material steps with regard to the preparation, filing, prosecution, and maintenance of the In4Derm Patents and the Joint Patents, including by providing In4Derm with a copy of material communications to and from any patent authority regarding such Patents, and by providing In4Derm drafts of any material filings or responses to be made to such patent authorities sufficiently in advance of submitting such filings or responses so as to allow for a reasonable opportunity for In4Derm to review and comment thereon. VYNE shall consider in good faith the requests and suggestions of In4Derm with respect to such VYNE drafts and with respect to strategies for filing and prosecuting such Patents. (c) If (i) VYNE decides not to prepare, file, prosecute, or maintain any In4Derm Patent (other than an Assigned Patent Right) or Joint Patent in a Country and there are no other In4Derm Patents or Joint Patents in such Country, or (ii) VYNE decides not to prepare, file, prosecute, or maintain any Assigned Patent Right in a Country, VYNE shall provide reasonable prior written notice to In4Derm of such intention (which notice shall, in any event, be given no later than sixty (60) days prior to the next deadline for any action that may be taken with respect to such In4Derm Patent or Joint Patent in such Country), and In4Derm shall thereupon have the option, in its sole discretion, to assume the control and direction of the preparation, filing, prosecution, and maintenance of such Patent at its sole cost and expense in such Country. Upon In4Derm’ s written acceptance of such option, In4Derm shall assume the responsibility and control for the preparation, filing, prosecution, and maintenance of such In4Derm Patent or Joint Patent, as applicable. In such event, VYNE shall reasonably cooperate with In4Derm with respect to such Patent in such Country as provided under Section 9. 2. 3. ” f. The first sentence of Section 9. 3. 2 (In4Derm Patents and Joint Patents) is deleted and replaced with the following sentence: “ VYNE has the first right, but not the obligation, to prosecute any such infringement of In4Derm Patents**

(including, for clarity, the Assigned Patent Rights) and Joint Patents at its sole expense. ” g. The second sentence of Section 9. 3. 2 (In4Derm Patents and Joint Patents) is deleted. h. The first sentence of Section 9. 5. 2 (In4Derm Patents and Joint Patents), is deleted and replaced with the following sentence: “ VYNE has the first right, but not the obligation, to defend and control the defense of the validity and enforceability of the In4Derm Patents (including, for clarity, the Assigned Patent Rights) and the Joint Patents at its own expense. ” i. The second sentence of Section 9. 5. 2 (In4Derm Patents and Joint Patents) is deleted. j. The entire text of Section 11. 2. 11 is deleted and replaced with the words" Not used"; k. The entire text of Section 13. 6 (Termination of the Head Licence) is deleted and replaced with the words" Not used". l. In Section 13. 7. 10 (Royalties), the following words are deleted: “ or Section 13. 6 (Termination of the Head Licence) ”. 2. Except as set out in paragraph 1 of this letter agreement, all terms and conditions of the Agreement shall continue in full force and effect. 3. The parties intend this letter agreement to be legally binding. 4. In the event of any conflict between this letter agreement and the Agreement, this letter agreement shall prevail. 5. The provisions of the Agreement relating to governing law and dispute resolution shall apply equally to the construction of, and resolution of disputes arising out of or in connection with, this letter agreement. 6. This letter agreement may be executed in one or more counterparts in original, facsimile, PDF, or other electronic format, each of which shall be an original, and all of which together shall constitute one instrument. Please confirm your agreement by signing this letter agreement and returning a signed copy to us. On behalf of Tay Therapeutics Limited / s / Andrew Woodland _____ Name: Andrew Woodland Title: Chief Executive Officer Agreed on behalf of VYNE Therapeutics Inc. / s / David Domzalski_____ Name: David Domzalski Date: 12- Feb- 25 / s / Mutya Harsch Name: Mutya Harsch Title: General Counsel and Chief Legal Officer INSIDER TRADING POLICY (Effective as of March 19, 2020, as amended from time to time) Explanatory Note While the provisions of Section D of this policy only apply to the Company’ s officers, directors and employees (collectively, “ Restricted Persons ”), Sections A, B, C and E of this policy apply to all employees, consultants who may become aware of material non- public information (“ designated consultants ”), and service providers of the Company. Accordingly, all employees, directors, designated consultants and service providers are required to read this policy in its entirety and submit a signed Acknowledgement Form attached as Exhibit B hereto certifying that they received, read, understand and agree to comply with the terms of this policy in its entirety. Introduction Federal and state laws prohibit purchasing, selling or making other transfers of securities by persons who have material information about the applicable company that is not generally known or available to the public and owe a fiduciary duty to the applicable company. These laws also prohibit such persons with such material non- public information from disclosing this information to others who trade. In addition, the Company’ s directors and officers are subject to laws requiring them to file ownership reports and changes to those reports with the Securities and Exchange Commission under Section 16 of the Securities and Exchange Act of 1934. Section 16 directors and officers are also subject to laws requiring them to disgorge net profits on trading in the Company’ s equity securities within a six- month period. The Company’ s Section 16 directors and officers (the “ Section 16 directors and officers ”) are listed on Exhibit A to this Policy and shall be amended from time to time by the Company’ s Board of Directors. In light of these prohibitions, VYNE Therapeutics Inc., together with its subsidiaries (collectively, the “ Company ”), ~~confirms its agreement~~ **has adopted the following policy (** as amended from time to time, this “ ~~Agreement~~ **Policy** ”) **regarding trading in securities by its directors (including, for the avoidance of doubt, observers to the board of directors), officers, employees, designated consultants and service providers. This Policy also applies to anyone who lives in your household (other than household employees), corporations or other business entities controlled or managed by you, and trusts for which you are the trustee or have a beneficial pecuniary interest (collectively, “ Restricted Affiliates ”). In addition, it is the policy of the Company that no person subject to this policy who, in the course of his or her relationship** with **the** ~~Cowen and~~ Company, ~~LLC~~ **learns of any confidential information that is material to another publicly traded company, including but not limited to a partner or collaborator of the Company or an economically- linked company such as a competitor of the Company may trade in that other company’ s securities until the information becomes public or is no longer material to that other company. The Company may also determine that other persons should be subject to this Policy, such as designated consultants and agents who have access to material non- public information. We designed this Policy to promote compliance with the federal securities laws and to protect the Company and you from the serious liabilities and penalties that can result from violations of these laws. You, however, are responsible for ensuring that you do not violate federal or state securities laws or this Policy. Keep in mind that the Securities and Exchange Commission** (“ ~~Cowen~~ **SEC** ”) ~~,~~ **and federal prosecutors may presume that trading by family members is based on information you supplied and may treat any such trades** as ~~follows: 1~~ **if you had traded yourself** . **If you have any questions about** ~~Issuance and Sale of Shares. The Company agrees that, from time to time during the term of~~ this **Policy or** ~~Agreement, on the terms and subject to the conditions set forth herein, it~~ **its application to a particular transaction** ~~may issue and sell through Cowen~~ , **you should contact** ~~acting as agent and / or principal, shares (the “ Placement Shares ”) of~~ the Company’ s **Chief Executive Officer (the “ CEO ”), the Chief Financial Officer (the “ CFO ”) or the Company’ s General Counsel (the “ GC ”). Insider Trading Penalties The penalties for violating insider trading laws and this Policy are severe. If you violate the federal insider trading laws, you may have to pay civil fines of up to three times (× 3) the profit gained or loss avoided by such trading, as well as criminal fines of up to $ 5, 000, 000 for individuals and of up to $ 25, 000, 000 for non- natural persons. Persons found liable for tipping material nonpublic information, even if they did not trade themselves, may be liable for the amount of any profit gained or loss avoided by everyone in the chain of tippees as well as a penalty of up to three times (x3) that amount. You also may have to serve a jail sentence of up to 20 years. In addition, the Company could be subject to paying a civil fine of up to three times (× 3) the profit gained or loss avoided as a result of your insider trading violations, and a criminal penalty of up to $ 5, 000,**

000 for individuals and of up to $ 25, 000, 000 for non- natural persons. The Company could also be forced to disclose non- public information before it would be obligated or prepared to do so, which could damage the Company' s competitive position, jeopardize important or strategic plans and threaten or eliminate opportunities such as acquisitions or financings. In addition to penalties, firms or persons sanctioned for violations of securities laws may be limited from engaging in other types of business in the future, e. g., many regulated industries will not permit such firms or persons to engage in regulated activity. Further, for a Company director, officer or employee to even be accused of securities law violations would have very damaging effects on the Company' s reputation. Because a violation of these laws or this Policy poses significant risks to the Company, any violation of this Policy may result in immediate disciplinary measures being taken against you, including potential termination of employment or service with the Company. The SEC, the NASDAQ Stock Market, Inc. (" NASDAQ ") and state regulators (as well as the N. Y. Attorney General and the Department of Justice) use sophisticated surveillance techniques to uncover insider trading and are very effective at detecting and pursuing insider trading cases. The SEC has successfully prosecuted cases against employees trading through foreign accounts, trading by family members and friends, and trading involving only a small number of shares. The size of the transaction or the amount of profit received does not have to be large to result in prosecution. Therefore, it is important that you understand the breadth of activities that constitute illegal insider trading. You must carefully read this Policy and follow its directives at all times. You are responsible for ensuring the compliance of any family member, household member or entity whose transactions are subject to this Policy. Accordingly, you should make your family and household members aware of the need to confer with you before they trade in Company securities. Failure to adhere to this Policy or certify as to the matters contained in the acknowledgment form attached as Exhibit B to this Policy may result in immediate disciplinary measures being taken against you including, where appropriate, termination of employment or service with the Company. If you become aware of a possible insider trading violation, you should immediately report the potential violation to the CEO, CFO or the GC. A. Insider Trading Policy This Policy prohibits: (1) trading when you have material non- public information, (2) " tipping " (as explained below), and (3) speculative trading. Please be aware that these restrictions will continue to apply to you after the termination of your employment or service with the Company. The restrictions will apply for so long as you are in possession of material non- public information about the Company or any other company obtained during your employment or service with the Company. 1. Trading When You Are Aware of Material Non- Public Information is Prohibited You may not purchase or sell shares or other securities of any company, including the Company, when you are aware of material non- public information about that company. This Policy against " insider trading " applies to purchases and sales (at the times described in this Policy) of the Company securities, as well as to purchases and sales of securities of any other company. The " Company securities " may include common stock, ~~par~~ **options for common stock, restricted common stock, restricted common stock units, debt securities and any other securities of the Company, such as preferred stock, warrants and convertible debentures, as well as derivative securities relating to the Company securities, including securities convertible or exchangeable into, or whose** value ~~$ 0~~ **is derived by the value of, the Company securities, whether or not issued by the Company** . ~~0001 per~~ **" Purchase " and " sale " are defined broadly under the federal securities law: • " Purchase " includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security for value. • " Sale " includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security for value. In light of the broad range of transactions that these definitions pick up, it is important to understand that the restrictions in this policy apply, among other things, to the following types of " purchases " and " sales ": • conventional cash- for-** ~~share~~ **shares transactions; • making gifts of the Company' securities** (**including charitable donations); • using** the **Company' securities to secure a loan (see Section A. 3. below –** " ~~Common Stock~~ **Speculative Trading is Prohibited** ") ~~,~~ ~~having an aggregate offering price~~ **; • broker- assisted cashless exercises** of ~~up to $ 50, 000, 000 (the " Maximum Amount ").~~ ~~Notwithstanding anything to the contrary contained herein, the parties hereto agree that compliance with the limitation set forth in this Section 1 on the number of shares of Common Stock~~ **stock options** ~~issued and sold under this Agreement shall be the sole responsibility of the Company, and Cowen shall have no obligation in connection with such compliance. The issuance and sale of Common Stock through Cowen will be effected pursuant to the Registration Statement~~ (as defined below) ~~filed, or to be filed,~~ **; • engaging in short sales and other hedging transactions; • a sale of the Company' securities obtained through the exercise of employee stock options granted** by the Company **;** and **• purchases and sales of derivative** ~~after such Registration Statement has been declared effective by the Securities~~ **securities** ~~and Exchange Commission~~ (**e. g., options, warrants, convertible securities, share appreciation rights or any similar security with a value derived from the value of an equity security), including exchange traded options and** ~~the~~ **other convertible securities. The restrictions in this policy do not, however, apply to (i) the exercise of the Company stock options, whether for cash or on a** " ~~Commission~~ **net exercise** " **basis** ~~), although nothing in this Agreement shall be construed as requiring the Company to use the Registration Statement~~ (as defined below) **, as long as none of the underlying option shares are subsequently sold on the open market; (ii) the vesting of stock options, restricted stock or restricted stock units, (iii) the withholding of shares** to ~~issue~~ **satisfy a tax withholding obligation upon the vesting of restricted stock or restricted stock units or (iv) the sale of shares on the open market to cover tax withholding obligations upon the vesting of restricted stock or restricted stock units, so long as the " sell to cover " transaction is conducted in accordance with the Company' s non- discretionary policy to sell shares for tax withholding purposes. Therefore, you may freely exercise your stock options for cash, engage in " net exercises " and have the Company withhold or sell shares (in accordance with the Company' s non- discretionary policy to sell shares) to satisfy your tax obligations without violating this Policy. Note that a " net exercise " (which is permitted without restriction) is the use of the underlying shares to pay the Company the exercise price or tax withholding obligation, without any open market transaction, whereas a broker- assisted cashless exercise (which is subject to the restrictions in**

this Policy if it is exercised outside of the Company' s non- discretionary policy to sell shares for tax withholding purposes) involves the broker selling some or all of the shares underlying the option on the open market. 2. " Tipping " is Prohibited You may not disclose to anyone, including without limitation family members and co- workers (except as may be required by your job position), any material non- public information about the Company and its securities or any other company and its securities. This includes refraining from making purchase, sell or hold recommendations to anyone about the Company or any other company while in possession of material non- public information. This practice, known as " tipping, " also violates the federal securities laws, and can result in the same civil and criminal penalties that apply if you engage in insider trading directly, even if you do not receive any money or derive any benefit from the trade made by persons to whom you passed material non- public information. This Policy does not restrict legitimate business communications on a " need to know " basis, where you have a basis to expect that the other person will not trade while in possession of the information. 3. Speculative Trading is Prohibited You are encouraged to consider a purchase of the Company securities as a long- term investment, and through ownership, to develop an alignment of interest with the performance and prospects of the Company. Consistent with that philosophy, you are prohibited (subject to Section 4 below) from engaging in any speculative trading involving the Company securities, including without limitation: • purchasing or selling ' put' options, ' call' options or other publicly- traded options on the Company securities; or • engaging in short sales of the Company securities (which are illegal for Section 16 officers and directors). 4. Hedging Transactions Certain forms of hedging or monetization transactions, such as zero- cost collars, variable forwards, equity swaps, and exchange funds, allow an officer, director, designated consultant or employee to lock in much of the value of his or her shareholdings, often in exchange for all or part of the potential for upside appreciation in the shares. These transactions allow the officer, director, designated consultant or employee to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the officer, director or employee may no longer have the same objectives as the Company' s other stockholders. For this reason, officers, directors, designated consultants and employees are discouraged from entering into such transactions. The Board may determine, from time to time, to limit or prohibit officers, directors, designated consultants or employees from entering into such transactions. 5. Margin Accounts and Pledges Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer' s consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material non- public information or otherwise is not permitted to trade in Company securities, directors, officers, designated consultants and other employees are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan. These restrictions on the use of margin accounts and pledging by officers, directors, designated consultants and employees will apply as of the effective date of this Policy. Margin accounts and pledging arrangements in existence as of the effective date of this Policy may continue until the they Common Stock expire in accordance with the current terms of the accounts or arrangements, as the case maybe. An exception to this prohibition may be granted where a person wishes to pledge Company securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge Company securities as collateral for a loan must submit a request for approval to the CFO at least two weeks prior to the proposed execution of documents evidencing the proposed pledge. 6. Standing and Limit Orders You may not place standing or limit orders on Company securities except pursuant to the procedures described in the Section D. 4 below entitled " Policies and Procedures – When and How to Trade the Company Securities – Rule 10b5- 1 Trading Plans. " Standing and limit orders create heightened risks for insider trading violations similar to the use of margin accounts because there is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or other employee or service provider is in possession of material non- public information . The Company shall file, in accordance with therefore discourages placing standing or limit orders on the provisions of the Company' s Securities securities Act of 1933, . If a person subject to this policy determines that they must use a standing order or limit order (other than under an approved procedure as provided in Section D. 4 below amended, and the rules and regulations thereunder (collectively, the " Securities Act ") , with the Commission a order should be limited to short duration and the person using such standing order or limit order is required to cancel such instructions immediately in the event registration -- restrictions statement are imposed on Form S- 3, including a base prospectus, relating to certain securities, including the their ability Common Stock, to trade pursuant be issued from time to time by the Company, and which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the " Exchange Act "). The Company has prepared a Restricted Trading Period prospectus specifically relating to the Placement Shares (the " ATM Prospectus ") to the base prospectus included as part of such Registration Statement, and shall, if necessary, prepare a prospectus supplement specifically relating to the Placement Shares (the " Prospectus Supplement ") to the base prospectus included as part of such registration statement. The Company shall furnish to Cowen, for use by Cowen, copies of the prospectus included as part of such registration statement, as supplemented by the Prospectus Supplement, if any, relating to the Shares. Except where the context otherwise requires, such registration statement, and any post- effective amendment thereto, as amended when it becomes effective, including all documents filed as part thereof or incorporated by reference therein, and including any information contained in a Prospectus (as defined below) subsequently filed . B. Unauthorized Disclosure 1. Use or Disclosure of Material Non- Public Information is Prohibited You must maintain the confidentiality of the Company information for competitive, security and other business reasons, as well as to comply with securities laws. All information you learn about the Company or its business plans is potentially non- public information until we publicly

disclose it. You should treat this information as confidential and proprietary to the Company. You may not disclose it to others, such as family members, other relatives, or business or social acquaintances. You also may not discuss the Company or its business in any " chat room ", " talkback " commentary or similar internet- based forum, including anonymously or by use of an alias. Also, legal rules govern the timing and nature of our disclosure of material information to outsiders and the public. Violation of these rules could result in substantial liability for you, the Company and its management. For this reason, we permit only specifically designated representatives of the Company, as identified below, to discuss the Company with the news media, securities analysts and investors. 2. Third Party Inquiries If you receive any inquiries about the Company from third parties such as industry analysts or members of the financial or business media, you should direct ~~the~~ **them** ~~Commission pursuant~~ to ~~Rule 424~~ **the CFO or GC. C. What is " Material Non- Public Information "? 1. Material Information Information is generally considered material if there is a likelihood that a reasonable investor would consider it important in making an investment decision to purchase, sell or hold securities. It includes any information that could reasonably affect the price of a security and may be either positive or negative information. Although the materiality of information may vary depending on the circumstances of each case, be assured it will be scrutinized by federal, state and NASDAQ investigators with " 20 / 20 hindsight. " Consequently, any appearance of impropriety should be avoided, and the particular facts of each such situation should be carefully reviewed. You should always err on the side of caution by deciding that the information is material and not trade. The following pieces of information about a company are likely to be considered material: • earnings, revenues, expenses, dividends, cash- flows from operations, liquidity and other non- public financial information; • financial projections, including affirmations of prior earnings guidance and whether a company will or will not meet earnings expectations; • unexpected financial results and unexpected events affecting such results; • mergers, acquisitions, tender offers, joint ventures, divestitures or other changes in assets or business; • launch of new products or new versions of existing products, accomplishment of significant milestones in product or intellectual property development (** ~~b~~ **such as registration or grant of patents)** ~~under~~ **, achievement of scientific or engineering breakthroughs, results of preclinical and clinical studies and trials relating to products or product candidates, timelines for pre- clinical studies or clinical trials, or** ~~the~~ **other developments from research efforts; • bank borrowings or financing transactions, including proposed new financing, refinancing or capital market transactions and actual or potential liquidity problems; • events regarding a company' s** ~~Securities~~ **securities** ~~Act~~ **(including, without limitation, defaults on debt securities, redemptions of securities, repurchase plans, changes in dividends or dividend policy, stock splits, changes in rights of security holders, and public or private sales of additional securities); • major incidents; • changes in or curtailment of operations or of significant facilities; • acquisitions or dispositions of assets, divisions or companies; • gain or loss of a significant licensor, licensee or supplier; • changes or new corporate partner relationships or collaborations. • developments regarding** ~~or~~ **our** ~~deemed to~~ **joint venture partners, agents, distributors, customers or targets for acquisition or investment (including the entry into, amendment or loss of an important contract or other arrangement with any of the foregoing); • information concerning changes in senior management, key personnel or the composition of the Board of Directors, including information concerning the business and personal lives of the foregoing; • changes in compensation policy; • a change in auditors or an auditor notification that a company may no longer rely on an audit report; • threatened or pending litigation, and developments in ongoing material litigation and other contingencies; • regulatory proceedings and governmental investigations; and • bankruptcy, corporate restructuring or receivership. This list is not exhaustive and, depending upon the circumstances, other information may** be **material. In short, if you would consider the information relevant in making an investment decision, you should assume it is material. Even if you would not consider the information relevant in making an investment decision, but believe that** a **third** ~~part~~ **party might consider it relevant** ~~of such registration statement pursuant to Rule 430B or 462 (b) of the Securities Act~~ , ~~or~~ **you should assume it is material. Remember that both positive and negative information may be material information. You should always treat information as material if you have** any **reason** ~~subsequent registration statement on Form S- 3 filed pursuant~~ to **believe that** ~~Rule 415 (a) (6) under the Securities Act by the Company to cover any Shares, is herein called the " Registration Statement. " The base prospectus, including all documents incorporated therein by reference, included in the Registration Statement, as~~ it may be ~~supplemented by~~ **important. If you are unsure about** the ~~ATM Prospectus and the Prospectus Supplement~~ **materiality of certain information or a specific transaction** , **please call** ~~if any, in~~ the **CFO or GC** ~~form~~ **for advice. 2. Non- Public Information Non- public information is information** ~~in which such prospectus, ATM Prospectus and / or Prospectus Supplement have most recently been filed by the Company with the Commission pursuant to Rule 424 (b) under the Securities Act, together with any " issuer free writing prospectus, " as defined in Rule 433 of the Securities Act regulations (" Rule 433), relating to the Shares~~ that ~~(i)~~ is ~~consented~~ **not generally known or available** to **the public. We consider information** ~~by Cowen, hereinafter referred to as a " Permitted Free Writing Prospectus, " (ii) is required~~ to be **available** ~~filed with the Commission by the Company or (iii) is exempt from filing pursuant~~ to ~~Rule 433 (d) (5) (i), in each case in~~ the **public only when: •** ~~form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company' s records pursuant to Rule 433 (g), is herein called the " Prospectus. " Any reference herein to the Registration Statement, the Prospectus or any amendment or supplement thereto shall be deemed to refer to and include the documents incorporated by reference therein, and any reference herein to the terms " amend, " " amendment " or " supplement " with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing after the execution hereof of any document with the Commission deemed to be incorporated by reference therein. For purposes of this Agreement, all references to the Registration Statement, the Prospectus or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to the Electronic Data Gathering Analysis and Retrieval System (" EDGAR "). 2. Placements. Each time that the Company wishes to issue and sell the Placement Shares hereunder (each, a "~~

Placement "), it will notify Cowen by email notice (or other method mutually agreed to in writing by the parties) (a " Placement Notice ") containing the parameters in accordance with which it desires the Placement Shares to be sold, which shall at a minimum include the number of Placement Shares to be issued, the time period during which sales are requested to be made, any limitation on the number of Placement Shares that may be sold in any one Trading Day (as defined in Section 3) and any minimum price below which sales may not be made, a form of which containing such minimum sales parameters necessary is attached hereto as Schedule 1. The Placement Notice shall originate from any of the individuals from the Company set forth on Schedule 2 (with a copy to each of the other individuals from the Company listed on such schedule), and shall be addressed to each of the individuals from Cowen set forth on Schedule 2, as such Schedule 2 may be amended from time to time. The Placement Notice shall be effective upon receipt by Cowen unless and until (i) in accordance with the notice requirements set forth in Section 4, Cowen declines to accept the terms contained therein for any reason, in its sole discretion, (ii) the entire amount of the Placement Shares have been sold, (iii) in accordance with the notice requirements set forth in Section 4, the Company suspends or terminates the Placement Notice for any reason, in its sole discretion, (iv) the Company issues a subsequent Placement Notice with parameters superseding those on the earlier dated Placement Notice, or (v) this Agreement has been **released to** terminated under the provisions of Section 11. The amount of any discount, commission or other -- **the public** compensation to be paid by the **a** Company **company through appropriate channels (e** to Cowen in connection with the sale of the Placement Shares shall be calculated in accordance with the terms set forth in Schedule 3. **g** It is expressly acknowledged and agreed that neither the Company nor Cowen will have any obligation whatsoever with respect to a Placement or any Placement Shares unless and until the Company delivers a Placement Notice to Cowen and Cowen does not decline such Placement Notice pursuant to the terms set forth above, and then only upon the terms specified therein and herein. In the event of a conflict between the terms of this Agreement and the terms of a Placement Notice, the terms of the Placement Notice will control. 3. Sale of Placement Shares by Cowen. Subject to the terms and conditions herein set forth, upon the Company's delivery of a Placement Notice, and unless the sale of the Placement Shares described therein has been declined, suspended, or otherwise terminated in accordance with the terms of this Agreement, Cowen, for the period specified in the Placement Notice, will use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable state and federal laws, rules and regulations and the rules of the Nasdaq Stock Market, Inc. (" Nasdaq ") to sell such Placement Shares up to the amount specified, and otherwise in accordance with the terms of such Placement Notice. Cowen will provide written confirmation to the Company (including by email correspondence to each of the individuals of the Company set forth on Schedule 2, if receipt of such correspondence is actually acknowledged by any of the individuals to whom the notice is sent, other than via auto- reply) no later than the opening of the Trading Day (as defined below) immediately following the Trading Day on which it has made sales of Placement Shares hereunder setting forth the number of Placement Shares sold on such day, the volume- weighted average price of the Placement Shares sold, and the Net Proceeds (as defined below) payable to the Company. In the event the Company engages Cowen for a sale of Placement Shares that would constitute a " block " within the meaning of Rule 10b- 18 (a) (5) under the Exchange Act (a " Block Sale "), the Company will provide Cowen, at Cowen's request and upon reasonable advance notice to the Company, on or prior to the Settlement Date (as defined below), the opinions of counsel, accountant's letter and officers' certificates set forth in Section 8 hereof, each dated the Settlement Date, and such other documents and information as Cowen shall reasonably request. Cowen may sell Placement Shares by any method permitted by law deemed to be an " at the market " offering as defined in Rule 415 of the Securities Act, including without limitation sales made through Nasdaq or on any other existing trading market for the Common Stock. Cowen shall not purchase Placement Shares for its own account as principal unless expressly authorized to do so by the Company in a Placement Notice. The Company acknowledges and agrees that (i) there can be no assurance that Cowen will be successful in selling Placement Shares, and (ii) Cowen will incur no liability or obligation to the Company or any other person or entity if it does not sell Placement Shares for any reason other than a failure by Cowen to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell such Placement Shares as required under this Section 3. For the purposes hereof, " Trading Day " means any day on which the Company's Common Stock is purchased and sold on the principal market on which the Common Stock is listed or quoted. Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Placement Shares pursuant to this Agreement and, by notice to Cowen given by telephone (confirmed promptly by email), shall cancel any instructions for the offer or sale of any Placement Shares, and Cowen shall not be obligated to offer or sell any Placement Shares, (i) during any period in which the Company is, or could be deemed to be, in possession of material non- public information, or (ii) at any time from and including the date on which the Company shall issue a press release containing, **filing with** or shall otherwise publicly announce, its earnings, revenues or other -- **the SEC, communicated by** results of operations (an " Earnings Announcement ") through and including the **media** time that the Company files a Quarterly Report on Form 10- Q or an Annual Report on Form 10- K that includes consolidated financial statements as of and for the same period **broad public access** or periods, as the case may be, covered by such Earnings Announcement. 4. Suspension of Sales. (a **widely disseminated statement**) The Company or Cowen may, upon notice to the other party in writing (including by email correspondence to each of the individuals of the other party set forth on Schedule 2, if receipt of such correspondence is actually acknowledged by any of the individuals to whom the notice is sent, other than via auto- reply) or by telephone (confirmed immediately by verifiable facsimile transmission or email correspondence to each of the individuals of the other party set forth on Schedule 2), suspend any sale of Placement Shares; provided, however, that such suspension shall not affect or impair either party's obligations with respect to any Placement Shares sold hereunder prior to the receipt of such notice. While a suspension is in effect any obligation under Sections 7 (l), 7 (m), 7 (n) and 7 (t) with respect to the delivery of certificates, opinions, or comfort letters to Cowen, shall be waived. Each of the parties agrees that no such notice under this Section 4 shall be effective against the other unless it is made to one of the individuals named on Schedule 2 hereto, as such schedule may be amended from **a senior** time to time. Notwithstanding any other provision of this Agreement, during

any period in which the Company is in possession of material non- public information, the Company and Cowen agree that (i) no sale of Placement Shares will take place, (ii) the Company shall not request the sale of any Placement Shares, and (iii) Cowen shall not be obligated to sell or offer **officer** to sell any Placement Shares. (b) If either Cowen or the Company has reason to believe that the exemptive provisions set forth in Rule 101 (c) (1) of Regulation M under the Exchange Act are not satisfied with respect to the Common Stock, it shall promptly notify the other party, and Cowen may, at its sole discretion, suspend sales of the Placement Shares under this Agreement. (c) Notwithstanding any other provision of this Agreement, during any period in which the Registration Statement is no longer effective under the Securities Act, the Company shall promptly notify Cowen, the Company shall not request the sale of any Placement Shares, and Cowen shall not be obligated to sell or offer to sell any Placement Shares. 5. Settlement. (a) Settlement of Placement Shares. Unless otherwise specified in the applicable Placement Notice, settlement for sales of Placement Shares will occur on the second (2nd) Trading Day (or such earlier day as is industry practice or as required for regular- way trading) following the date on which such sales are made (each, a " Settlement Date " and the first such settlement date, the " First Delivery Date "). The amount of proceeds to be delivered to the Company on a Settlement Date against receipt of the Placement Shares sold (the " Net Proceeds ") will be equal to the aggregate sales price received by Cowen at which such Placement Shares were sold, after deduction for (i) Cowen' s commission, discount or other compensation for such sales payable by the Company pursuant to Section 2 hereof, (ii) any other amounts due and payable by the Company to Cowen hereunder pursuant to Section 7 (g) (Expenses) hereof, and (iii) any transaction fees imposed by any governmental or self- regulatory organization in respect of such sales. (b) Delivery of Placement Shares. On or before each Settlement Date, the Company will, or will cause its transfer agent to, electronically transfer the Placement Shares being sold by crediting Cowen' s or its designee' s account (provided Cowen shall have given the Company written notice of such designee prior to the Settlement Date) at The Depository Trust Company through its Deposit and Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties hereto which in all cases shall be freely tradeable, transferable, registered shares in good deliverable form. On each Settlement Date, Cowen will deliver the related Net Proceeds in same day funds to an account designated by the Company on, or prior to, the Settlement Date. The Company agrees that if the Company, or its transfer agent (if applicable), defaults in its obligation to deliver duly authorized Placement Shares on a Settlement Date, the Company agrees that in addition to and in no way limiting the rights and obligations set forth in Section 9 (a) (Indemnification and Contribution) hereto, it will (i) hold Cowen harmless against any loss, claim, damage, or reasonable and documented expense (including reasonable and documented legal fees and expenses), as incurred, arising out of or in connection with such default by the Company and (ii) pay to Cowen any commission, discount, or other compensation to which it would otherwise have been entitled absent such default. 6. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, Cowen that, unless such representation, warranty or agreement specifies otherwise, as of (i) the date of this Agreement, (ii) each Time of Sale (as defined below), (iii) each Settlement Date, and (iv) each Bring- Down Date (as defined below) (each date included in (i) through (iv), a " Representation Date "): (a) Compliance with Registration Requirements. The Company and the transactions contemplated by this Agreement meet the requirements for and comply with the applicable conditions set forth in Form S- 3 (including General Instructions I. A and I. B) under the Securities Act. The Registration Statement has been or will be filed with the Commission and will be declared effective by the Commission under the Securities Act prior to the issuance of any Placement Notices by the Company. The Prospectus Supplement will name Cowen as the agent in the section entitled " Plan of Distribution. " The Company has not received, and has no notice of, any order of the Commission preventing or suspending the use of the Registration Statement, or threatening or instituting proceedings for that purpose. The Registration Statement and the offer and sale of Placement Shares as contemplated hereby meet the requirements of Rule 415 under the Securities Act and comply in all material respects with said Rule. Any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been so described or filed. Copies of the Registration Statement, the Prospectus, and any such amendments or supplements and all documents incorporated by reference therein that were filed with the Commission on or prior to the date of this Agreement have been delivered, or are available through EDGAR, to Cowen and its counsel. (b) No Misstatement or Omission. The Registration Statement, when it became or becomes effective, and the Prospectus, and any amendment or supplement thereto, on the date of such Prospectus or amendment or supplement, conformed and will conform in all material respects with the requirements of the Securities Act. At each Settlement Date, the Registration Statement and the Prospectus, as of such date, will conform in all material respects with the requirements of the Securities Act. The Registration Statement, as of the date it became or becomes effective, did not, and will not, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus and any amendment and supplement thereto, on the date thereof and at each Time of Sale (defined below), did not or will not include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The documents incorporated by reference in the Prospectus or any Prospectus Supplement did not, and any further documents filed and incorporated by reference therein will not, when filed with the Commission, contain an untrue statement of a material fact or omit to state a material fact required to be stated in such document or necessary to make the statements in such document, in light of the circumstances under which they were made, not misleading. The foregoing shall not apply to statements in, or omissions from, any such document made in reliance upon, and in conformity with, information furnished to the Company by Cowen specifically for use in the preparation thereof. As used herein, " Time of Sale " means with respect to each offering of Placement Shares pursuant to this Agreement, the time of Cowen' s initial entry into contracts with purchasers for the sale of such Placement Shares. (c) Offering Materials Furnished to Cowen. The Prospectus delivered to Cowen for use in connection with the sale of the Placement Shares pursuant to this Agreement will be identical to the versions of the Prospectus created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S- T. (d) Not an Ineligible

Issuer. The Company was not and is not an ineligible issuer as defined in Rule 405 under the Securities Act at the times specified in Rules 164 and 433 under the Securities Act in connection with the offering of the Placement Shares. (e) Distribution of Offering Material By the Company. The Company has not distributed and, prior to the later to occur of each Settlement Date and completion of the distribution of the Placement Shares, will not distribute any offering material in connection with the offering or sale of the Placement Shares other than the Registration Statement and the Prospectus and any Permitted Free Writing Prospectus (as defined below) to which Cowen has consented, such consent not to be unreasonably withheld, conditioned or delayed. (f) The Sales Agreement. The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company and is a legal, valid and binding agreement of the Company enforceable in accordance with its terms, except to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles. (g) Authorization of the Common Stock The issue and sale of the Placement Shares, the execution, delivery and performance of this Agreement by the Company, the consummation of the transactions contemplated hereby and the application of the proceeds from the sale of the Placement Shares as described under " Use of Proceeds " in the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, impose any lien, charge or encumbrance upon any property or assets of the Company and the Subsidiaries, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license, lease or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or to which any of the property or assets of the Company or any Subsidiary is subject; (ii) result in any violation of the provisions of the articles of association, charter or by- laws (or similar organizational documents) of the Company or of any Subsidiary; or (iii) result in any violation of any statute or any judgment, order, decree, rule or regulation of any Governmental Authority having jurisdiction over the Company or any Subsidiary or any of their properties or assets, except, for purposes of clauses (i) and (iii) above, any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (as defined below). As used herein, " Governmental Authority " means (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); **and • enough time** (ii) any self- regulatory organization; or (iii) any political subdivision of any of the foregoing. (h) No Obligations to Israel Innovation Authority. Neither the Company nor VYNE Pharmaceuticals Ltd. (i) has **elapsed** any outstanding obligations to **permit** the Israel Innovation Authority (previously known as the Office of the Chief Scientist) of the Ministry of Economy of the State of Israel (the " IIA ") or (ii) is in violation with respect to any instrument of approval granted to it by the Authority for Investments and Development of the Industry and Economy (previously known as the Investment Center) of the Ministry of Economy of the State of Israel (the " Investments Authority "). (i) No Applicable Registration or Other -- **the market** Similar Rights. The Placement Shares, when issued and delivered pursuant to **absorb** the terms approved by the board of directors of the Company or a duly authorized committee thereof, or a duly authorized executive committee, against payment therefor as provided herein, will be validly issued, fully paid and non- assessable, will conform in all material respects to the description thereof contained in the Prospectus, will be issued in compliance with U. S. federal and state securities laws, and will be free of statutory and contractual preemptive rights, rights of first refusal and any other -- **the** similar rights of any shareholder. (j) Option Grants. All grants and issuances of the Company' s shares to its, or its Subsidiaries' employees were made pursuant to the equity compensation plans of the Company. With respect to the options to purchase Company shares (the " Stock Options "), (i) to the Company' s knowledge, each Stock Option purported to be issued under Section 102 of the Israel Tax Ordinance qualifies for treatment under that section and for treatment under the capital gains track, (ii) to the Company' s knowledge, each Stock Option, if any, intended to qualify as an " incentive stock option " under Section 422 of the Internal Revenue Code of 1986, as amended (the " Code "), so qualifies, and (iii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required shareholder approval by the necessary number of votes or written consents, or, if any such corporate action was taken after the effective grant date of any Stock Option, it authorized such Stock Option as of its effective grant date, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto. Except as disclosed in or contemplated by the Registration Statement or the Prospectus, as of the date referred to therein, the Company does not have outstanding any options to purchase, or any rights or warrants to subscribe for, or any securities or obligations convertible into, or exchangeable for, or any contracts or commitments to issue or sell, any shares of capital stock or other securities. (k) No Material Adverse Effect. Since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, neither the Company nor any of its Subsidiaries has (i) sustained any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, (ii) issued or granted any securities, except as set forth or contemplated in the Registration Statement or the Prospectus, (iii) incurred any material liability or obligation, direct or contingent, other than liabilities and obligations that were incurred in the ordinary course of business or otherwise set forth or contemplated in the Registration Statement or the Prospectus, (iv) entered into any material transaction not in the ordinary course of business, except as set forth or contemplated in the Registration Statement or the Prospectus, or (v) declared or paid any dividend on its share capital, and since such date there has not been any change in the share capital (other than the issuance of shares of Common Stock, if any, pursuant to employee incentive plans described in the Registration Statement or the Prospectus) or in long- term debt of the Company or its Subsidiaries (other than as described in the Registration Statement or the Prospectus), or any adverse change or any development involving a prospective adverse change in or affecting the condition (financial or otherwise), results of operations, shareholders' equity, properties, management, business or prospects of the

Company and its Subsidiaries taken as a whole, in each case except as could not, in the aggregate, reasonably be expected to have a Material Adverse Effect. (l) Independent Accountants. Baker Tilly US, LLP (" Baker Tilly "), the Company' s auditor for the fiscal year ended December 31, 2023, are independent public accountants as required by the Securities Act and Securities Act Regulations. To the Company' s knowledge, Baker Tilly is not in violation of the auditor independence requirements of the Sarbanes- Oxley Act with respect to the Company. (m) Internal Controls. Since the date of the most recent balance sheet of the Company reviewed or audited by Baker Tilly the Company has not been advised of or become aware of any fraud, whether or not material, that involves management or other employees who have a significant role in the internal controls of the Company and the Subsidiaries. (n) Sarbanes- Oxley Act. There is and has been no failure on the part of the Company, VYNE Pharmaceuticals Ltd. and any of the Company' s directors or officers, in their capacities as such, to comply with any provision of the Sarbanes- Oxley Act and the rules and regulations promulgated in connection therewith which are applicable to the Company. (o) Preparation of the Financial Statements. The historical financial statements (including the related notes and supporting schedules) included or incorporated by reference in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectuses, if any, comply as to form in all material respects with the requirements of Regulation S- X under the Securities Act and present fairly in all material respects the financial condition, results of operations and cash flows of the entities purported to be shown thereby at the dates and for the periods indicated and have been prepared in conformity in all material respects with accounting principles generally accepted in the United States (" GAAP ") applied on a consistent basis throughout the periods involved. The pro forma financial statements (including the notes thereto) or other pro forma financial information included in the Prospectus (i) comply as to form in all material respects with the applicable requirements of Regulation S- X, (ii) have been prepared in accordance with the Commission' s applicable rules and guidelines with respect to pro forma financial statements and (iii) have been properly computed and presented on the bases described therein; and the assumptions used in preparing the pro forma financial statements or other pro forma financial information included in the Prospectus provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts . (p) Title to Property. The Company and its Subsidiaries have good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects, except such liens, encumbrances and defects as are described in the Registration Statement or the Prospectus or such as would not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its Subsidiaries. All assets held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases, with such exceptions as do not materially interfere with the use made and proposed to be made of such assets by the Company and its Subsidiaries. (q) XBRL. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement and the Prospectus fairly present the information called for in all material respects and are prepared in accordance with the Commission' s rules and guidelines applicable thereto. (r) Incorporation and Good Standing of the Company and its Subsidiaries. Each of the Company and its Subsidiaries (as defined below) has been duly organized, is validly existing and in good standing (where such concept is applicable) as a corporation or other business entity under the laws of its jurisdiction of organization and is duly qualified to do business and in good standing (where such concept is applicable) as a foreign corporation or other business entity in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, except where the failure to be so qualified or in good standing could not, in the aggregate, reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, shareholders' equity, properties, business or prospects of the Company and its Subsidiaries taken as a whole (a " Material Adverse Effect "). The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21. 1 to the Company' s Annual Report on Form 10- K for the most recently ended fiscal year and other than (i) those subsidiaries not required to be listed on Exhibit 21. 1 by Item 601 of Regulation S- K under the Exchange Act and (ii) those subsidiaries formed since the last day of the most recently ended fiscal year. (s) Capital Stock Matters. Except as disclosed in the Registration Statement and the Prospectus, the Company has an authorized capitalization as set forth in the latest balance sheet incorporated by reference in the Registration Statement and the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued, are fully paid and non- assessable, have been issued in compliance with federal and state securities laws, and conform to the description thereof contained in the Prospectus. All of the Company' s options, warrants and other rights to purchase or exchange any securities for shares of the Company' s capital stock have been duly and validly authorized and issued and were issued in compliance with federal and state securities laws. None of the outstanding shares of Common Stock was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. All of the Company' s options, warrants and other rights to purchase or exchange any securities for shares of the Company have been duly authorized and validly issued, and conform to the description thereof contained in the Registration Statement and the Prospectus. The description of the Company' s stock option, stock bonus and other stock plans or arrangements, and the options or other rights granted thereunder, as described in the Prospectus, accurately and fairly presents the information required to be shown with respect to such plans, arrangements, options and rights. (t) Non- Contravention of Existing Instruments; No Further Authorizations or Approvals Required. No consent, approval, authorization or order of, or filing, registration or qualification with, any Governmental Authority having jurisdiction over the Company or any Subsidiary or any of their properties or assets is required for the issue and sale of the Placement Shares, the execution, delivery and performance of this Agreement by the Company, the consummation of the transactions contemplated hereby, the application of the proceeds from the sale of the Placement Shares as described under " Use of Proceeds " in the Prospectus, except for (i) the registration of the Placement Shares under the Securities Act; (ii) such consents, approvals, authorizations, orders, filings, registrations or qualifications as

may be required under the Exchange Act, and applicable state or foreign securities laws or the bylaws and rules of the Financial Industry Regulatory Authority (the " FINRA ") in connection with the sale of the Placement Shares by Cowen; and (iii) the transaction notification to Nasdaq. (u) No Material Actions or Proceedings. Except as disclosed in the Registration Statement or the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its Subsidiaries is a party or of which any property or assets of the Company or any Subsidiary is the subject that could, in the aggregate, reasonably be expected to have a Material Adverse Effect or could, in the aggregate, reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of the transactions contemplated hereby; and to the Company' s knowledge, no such proceedings are threatened or contemplated by Governmental Authorities or others. (v) All Necessary Permits, etc. The Company and its Subsidiaries possess such valid and current certificates, registrations, approvals, authorizations or permits required by state, federal or foreign, including Israeli, regulatory agencies or bodies to conduct their respective businesses as currently conducted and as described in the Registration Statement or the Prospectus (" Permits "), except where the failure to possess any Permits would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is in violation of, or in default under, any of the Permits, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, nor has the Company or any of its Subsidiaries received any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such material Permit. Neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any Permits which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in a Material Adverse Effect. (w) Tax Law Compliance. The Company and its Subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through **Although** the date hereof, subject to permitted extensions, and have paid all taxes due, and no tax deficiency has been determined adversely to the Company or any of its Subsidiaries, nor does the Company have any knowledge of any tax deficiencies that have been, or could reasonably be expected to be asserted against the Company, in each case that could, in the aggregate, reasonably be expected to have a Material Adverse Effect. (x) Company Not an " Investment Company ". Neither the Company nor any of its Subsidiaries is, and, after giving effect to the offer and sale of the Placement Shares and the application of the proceeds therefrom as described under " Use of Proceeds " in the Prospectus, none of them will be, (i) an " investment company " or a company " controlled " by an " investment company " within the meaning of the Investment Company Act of 1940, as amended (the " Investment Company Act "), and the rules and regulations of the Commission thereunder, or (ii) a " business development company " (as defined in Section 2 (a) (48) of the Investment Company Act). (y) Insurance. The Company and each of its Subsidiaries carry, or are covered by, insurance from insurers of recognized financial responsibility in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar businesses in similar industries at a similar stage of development. All policies of insurance of the Company and each of its Subsidiaries are in full force and effect; the Company and each of its Subsidiaries are in compliance with the terms of such policies in all material respects; and neither the Company nor any of its Subsidiaries has received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance; there are no claims by the Company or any of its Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; and neither the Company nor any of its Subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that could not reasonably be expected to have a Material Adverse Effect. (z) No Price Stabilization or Manipulation. The Company and its affiliates have not taken, directly or indirectly, any action designed to or that has constituted or that could reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company in connection with the offering of the Placement Shares. (aa) Related Party Transactions. No relationship, direct or indirect, exists between or among the Company, on the one hand, and the directors, officers, shareholders, customers or suppliers of the Company, on the other hand, that is required to be described in the Prospectus, in the Company' s most recent Annual Report on Form 10- K or in the Company' s most recent Definitive Proxy Statement on Schedule 14A which is not so described. (ab) Exchange Act Compliance. The Registration Statement, the Prospectus, any Permitted Free Writing Prospectus or any amendment or supplement thereto, and the documents incorporated by reference in the Registration Statement, the Prospectus or any amendment or supplement thereto, when such documents were or are filed with the Commission under the Securities Act or the Exchange Act or became or become effective under the Securities Act, as the case may be, conformed or will conform in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable. (ac) No Unlawful Contributions or Other Payments. Neither the Company nor any of its Subsidiaries nor, to the Company' s knowledge, any director, officer, employee, agent, affiliate or other person acting on behalf of the Company or any Subsidiary, has (i) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) made any direct or indirect unlawful payment to foreign or domestic government officials or employees, political parties or campaigns, political party officials, or candidates for political office from corporate funds, (iii) violated or is in violation of any provision of the U. S. Foreign Corrupt Practices Act of 1977, as amended, or any applicable anti- corruption laws, rules, or regulation of any other jurisdiction in which the Company or any Subsidiary conducts business, or (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback, or other unlawful payment to any person. (ad) Compliance with Money Laundering Laws. The operations of the Company and each of its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions in which the Company and its Subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the "

Money Laundering Laws ") and no action, suit or proceeding by or before any court or Governmental Authority involving the Company or any of its Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened. (ae) Compliance with OFAC. Neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or representative of the Company or any of its Subsidiaries is an individual or entity (" Person ") currently the subject or target of any sanctions administered or enforced by the United States Government, including, without limitation, the U. S. Department of the Treasury' s Office of Foreign Assets Control and the U. S. Department of State, the United Nations Security Council, the European Union or His Majesty' s Treasury (collectively, " Sanctions "), nor is the Company located, organized or resident in a country or territory that is the subject of Sanctions; and the Company will not, directly or indirectly, use the proceeds of the sale of the Placement Shares, or lend, contribute or otherwise make available such proceeds to its Subsidiaries, joint venture partners or other Person, to fund any activities of or business with any Person, or in any country or territory that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the offering, whether as agent, underwriter, advisor, investor or otherwise) of Sanctions. (af) Company' s Accounting System. The Company and its Subsidiaries maintain a system of internal control over financial reporting (as such term is defined in Rule 13a- 15 (f) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed by, or under the supervision of, the Company' s principal executive and principal financial officers, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company and its Subsidiaries maintain internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management' s general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of the Company' s financial statements in conformity with GAAP and to maintain accountability for its assets, (iii) access to the Company' s assets is permitted only in accordance with management' s general or specific authorization, and (iv) the recorded accountability for the Company' s assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the Prospectus, since the end of the Company' s most recent audited fiscal year, there has been (A) no material weakness in the Company' s internal control over financial reporting (whether or not remediated) and (B) no change in the Company' s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company' s internal control over financial reporting. (ag) Disclosure Controls. The Company and the Subsidiaries maintain disclosure controls and procedures (as such term is defined in Rule 13a- 15 (e) under the Exchange Act), (ii) such disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company and the Subsidiaries in the reports they file or submit under the Exchange Act is accumulated and communicated to management of the Company and the Subsidiaries, including their respective principal executive officers and principal financial officers, as appropriate, to allow timely decision regarding required disclosure to be made, and (iii) such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established. (ah) Compliance with Environmental Laws. The Company and its Subsidiaries (i) are, and at all times prior hereto were, in compliance with all laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any Governmental Authority, including without limitation any international, foreign, national, state, provincial, regional, or local authority, relating to pollution, the protection of human health or safety, the environment, or natural resources, or to use, handling, storage, manufacturing, transportation, treatment, discharge, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants (" Environmental Laws ") applicable to such entity, which compliance includes, without limitation, obtaining, maintaining and complying with all permits and authorizations and approvals required by Environmental Laws to conduct their respective businesses, and (ii) have not received notice or otherwise have knowledge of any actual or alleged violation of Environmental Laws, or of any actual or potential liability for or other obligation concerning the presence, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except in the case of clause (i) or (ii) where such non- compliance, violation, liability, or other obligation would not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as disclosed in the Registration Statement or the Prospectus, (x) there are no proceedings that are pending, or known to be contemplated, against the Company or any of its Subsidiaries under Environmental Laws in which a Governmental Authority is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $ 100, 000 or more will be imposed, and (y) the Company and its Subsidiaries are not aware of any issues regarding compliance with Environmental Laws or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants that could reasonably be expected to have a Material Adverse Effect. (ai) Intellectual Property. Except as would not reasonably be expected to have a Material Adverse Effect, the Company owns or possesses adequate rights to use all patent applications, patents, trademarks, trade names, trademark registrations, service marks, service mark registrations, copyrights, licenses, knowhow, software, systems and technology (including trade secrets and other unpatented or un- patentable proprietary or confidential information, systems or procedures) (collectively, the " Intellectual Property ") necessary for the conduct of its business as currently conducted or as proposed in the Registration Statement or the Prospectus to be conducted. The Company owns all Intellectual Property described in the Registration Statement or the Prospectus as being owned by it (" Company Intellectual Property "). To the Company' s knowledge, and except as disclosed in the Registration Statement or the Prospectus: (i) there are no third parties who have material rights to any Company Intellectual Property; and (ii) there is no **fixed period** infringement by third parties of any Company Intellectual Property. Except as would not reasonably be expected to have a Material Adverse Effect, there is no pending or, to the Company' s knowledge, threatened action, suit, proceeding or claim by others: (A) challenging the Company' s rights in or to any Company Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for **how long** any such action, suit, proceeding or

claim; (B) challenging the validity, enforceability or scope of any Company Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; or (C) asserting that the Company or its it takes Subsidiaries infringe or otherwise violate, or would, upon the market to absorb information commercialization of any product or service described in the Registration Statement or the Prospectus as under development , out infringe or violate, any Intellectual Property of prudence others, and the Company is unaware of any facts which would form a person reasonable basis for any such action, suit, proceeding or claim. The Company and its Subsidiaries have complied in all possession of material respects with the terms of any agreement pursuant to which Intellectual Property has been licensed to the Company or such Subsidiary, and all such agreements are in full force and effect. The product candidates described in the Registration Statement or the Prospectus fall within the scope of the claims of one or more patents or patent applications owned by the Company, though not all features or aspects of such product candidates are necessarily protected by such claims. (aj) Listing. The Common Stock is registered pursuant to Section 12 (b) of the Exchange Act and is currently listed on non - public Nasdaq under the trading symbol " VYNE. " The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act, delisting the Common Stock from Nasdaq, nor has the Company received any notification that the Commission or Nasdaq is contemplating terminating such registration or listing. To the Company' s knowledge, it is in compliance with all applicable listing requirements of Nasdaq. (ak) Brokers. Neither the Company nor any of its Subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them for a brokerage commission, finder' s fee or like payment in connection with the offering and sale of the Placement Shares. Neither the Company nor any of its Subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against Cowen for a brokerage commission, finder' s fee or like payment in connection with the offering and sale of the Placement Shares. (al) No Outstanding Loans or Other Indebtedness. Subsequent to the respective dates as of which information should refrain is given in the Registration Statement, the Prospectus and the Issuer Permitted Writing Prospectuses, if any (including any document deemed incorporated by reference therein), there has not been (i) any Material Adverse Effect or the occurrence of any development that the Company reasonably expects will result in a Material Adverse Effect, (ii) any transaction which is material to the Company and its Subsidiaries taken as a whole, (iii) any obligation or liability, direct or contingent (including any off- balance sheet obligations), incurred by the Company or any Subsidiary, which is material to the Company and its Subsidiaries taken as a whole, (iv) any material change in the capital stock or outstanding long- term indebtedness of the Company or any Subsidiary or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company or any Subsidiary, other than in each case above in the ordinary course of business or as otherwise disclosed in the Registration Statement or Prospectus (including any document deemed incorporated by reference therein). (am) No Reliance. The Company has not relied upon Cowen or legal counsel for Cowen for any legal, tax or accounting advice in connection with the offering and sale of the Placement Shares. (an) Compliance with Laws. The Company has not been advised, and has no reason to believe, that it and each of its subsidiaries are not conducting business in compliance with all applicable laws, rules and regulations of the jurisdictions in which it is conducting business, except where failure to be so in compliance would not result in a Material Adverse Effect. (ao) Healthcare Laws. The Company, VYNE Pharmaceuticals Inc. and, to the Company' s knowledge, their respective directors, officers, employees, and agents (while acting in such capacity) are, and at all times prior hereto have been, in compliance with, all health care laws and regulations applicable to the Company, VYNE Pharmaceuticals Inc. or any of their respective products, product candidates or activities, including such laws and regulations relating to any aspect of the development, testing, manufacturing, sales and marketing of health care or pharmaceutical products, kickbacks, recordkeeping, documentation requirements, the hiring of employees, quality, safety, privacy, security, licensure or accreditation, including, without limitation, the Federal Food, Drug and Cosmetic Act (21 U. S. C. § 301 et seq.), the federal Anti- Kickback Statute (42 U. S. C. § 1320a- 7b (b)), the civil False Claims Act (31 U. S. C. § 3729 et seq.), the criminal False Claims Law (42 U. S. C. § 1320a- 7b (a)), the Civil Monetary Penalties Law (42 U. S. C. § 1320a- 7a), all criminal laws relating to health care fraud and abuse, including but not limited to 18 U. S. C. Sections 286, 287, 1035, 1347 and 1349, and the health care fraud criminal provisions under the Health Insurance Portability and Accountability Act of 1996 (42 U. S. C. § 1320d et seq.) (" HIPAA "), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (42 U. S. C. § 17921 et seq.) the exclusion laws (42 U. S. C. § 1320a- 7), Medicare (Title XVIII of the Social Security Act), Medicaid (Title XIX of the Social Security Act), the Physician Payments Sunshine Act (42 U. S. C. § 1320a- 7h), and the regulations promulgated pursuant to such laws, and comparable state laws, and all other local, state, federal, national, supranational, and foreign laws relating to the regulation of the Company, including the collection and reporting requirements, and the processing of any applicable rebate, chargeback or adjustment, under applicable rules and regulations relating to the Medicaid Drug Rebate Program (42 U. S. C. § 1396r- 8) and any state supplemental rebate program, Medicare average sales price reporting (42 U. S. C. § 1395w- 3a), the Public Health Service Act (42 U. S. C. § 256b), the VA Federal Supply Schedule (38 U. S. C. § 8126) or under any state pharmaceutical assistance program or U. S. Department of Veterans Affairs agreement, and any successor government programs (collectively, " Health Care Laws "), except where such noncompliance would not, individually or in the aggregate, have a Material Adverse Effect. None of the Company, VYNE Pharmaceuticals Inc. or any of their respective directors, officers or employees acting in such capacity has engaged in any activities which are, as applicable, cause for federal or state false claims act liability, civil monetary penalties under the federal Civil Monetary Penalties Law, or mandatory or permissive exclusion from any trading activity local, state or federal healthcare program. Except as set forth in the Registration Statement and Prospectus or as would not reasonably be expected to have a Material Adverse Effect, neither the Company, VYNE Pharmaceuticals Ltd. nor VYNE Pharmaceuticals Inc. has received any notification, correspondence or any other written or oral communication, including notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Governmental Authority, including, without limitation, the United States Food

and Drug Administration (" FDA "), the Drug Enforcement Administration, the Centers for Medicare & Medicaid Services, the U. S. Department of Health and Human Services Office of Inspector General, the Department of Justice and the Ministry of Health of the State of Israel, of potential or actual non- compliance by, or liability of, the Company, VYNE Pharmaceuticals Ltd. or VYNE Pharmaceuticals Inc. under any Health Care Laws. To the Company' s knowledge, there are no facts or circumstances that would reasonably be expected to give rise to liability of the Company, VYNE Pharmaceuticals Ltd. or VYNE Pharmaceuticals Inc. under any Health Care Laws. (ap) IT Systems. Except as may be included or incorporated by reference in the Registration Statement and the Prospectus, (i) (x) there has been no material security breach or attack or other compromise of or relating to any of the Company' s and each of its Subsidiaries' information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of them), equipment or technology (collectively, " IT Systems and Data ") and (y) the Company and its Subsidiaries have not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any security breach, attack or compromise to their IT Systems and Data, (ii) the Company and its Subsidiaries have complied, and are presently in compliance with all applicable laws, statutes or any judgment, order, rule or regulation of any Governmental Authority and all internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except where such noncompliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (iii) the Company and its Subsidiaries have implemented backup technology consistent with industry standards and practice. (aq) Research & Development Sites. Except as disclosed in the Registration Statement or the Prospectus or as would not reasonably be expected to have a Material Adverse Effect, during the last three years, the Company has not had any research and development site (whether Company- owned or that of a contractor or a joint developer for Company product candidates) subject to a Governmental Authority (including FDA) shutdown or import or export prohibition, nor received any FDA Form 483 or other written Governmental Authority notice of inspectional observations, " warning letters, " " untitled letters, " requests to make changes to the Company product candidates, processes or operations, or similar written correspondence or notice from the FDA or other Governmental Authority alleging or asserting material noncompliance with any applicable Health Care Laws. To the Company' s knowledge, neither the FDA nor any other Governmental Authority is considering such action. (ar) Safety Notices. Except as would not reasonably be expected to have a Material Adverse Effect, (i) there are no recalls, field notifications, field corrections, market withdrawals or replacements, warnings, " dear doctor " letters, investigator notices, safety alerts or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Company products (" Safety Notices ") during the last three years and (ii) to the Company' s knowledge, there are no material complaints with respect to the Company products that are currently unresolved. There are no Safety Notices, or, to the Company' s knowledge, material product complaints with respect to the Company products, and to the Company' s knowledge, there are no facts that would be reasonably likely to result in (i) a material Safety Notice with respect to the Company products, (ii) a material change in labeling of any the Company products, or (iii) a termination or suspension of marketing or testing of any the Company products. (as) Clinical Trials. The clinical and preclinical studies and tests conducted by the Company, and, to the knowledge of the Company, the clinical and preclinical studies and tests conducted on behalf of or sponsored by the Company or its Subsidiaries, were, and if still pending, are, being conducted in all material respects in accordance with all applicable Health Care Laws and standard medical and scientific research procedures, including, but not limited to, the Federal Food, Drug and Cosmetic Act and its applicable implementing regulations at 21 C. F. R. Parts 50, 54, 56, 58 and 312. Any descriptions of clinical, preclinical and other studies and tests, including any related results and regulatory status, contained in the Registration Statement or the Prospectus are accurate in all material respects. Except as disclosed in the Registration Statement or the Prospectus and to the Company' s knowledge, there are no studies, tests or trials the results of which reasonably call into question in any material respect the clinical trial results described or referred to in the Registration Statement or the Prospectus. Except as disclosed in the Registration Statement or the Prospectus, neither the FDA nor any applicable foreign regulatory agency has commenced, or, to the Company' s knowledge, threatened to initiate, any action to place a clinical hold order on, or otherwise terminate, delay or suspend, any proposed or ongoing clinical study or trial conducted or proposed to be conducted by or on behalf of the Company. The Company has made all such filings and obtained all such approvals as may be required by the Israeli Ministry of Health, the FDA or any committee thereof or from any other U. S., Israeli or foreign government or drug or medical device regulatory agency, or health care facility Institutional Review Board (collectively, the " Regulatory Agencies "), and the Company has operated and currently is in compliance in all material respects with all applicable rules, regulations and policies of the Regulatory Agencies, except where the failure to make such filings, obtain such approval or comply with such rules, regulations and policies could not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. (at) No Reporting Obligations. Neither the Company nor any of its Subsidiaries is a party to or has any ongoing reporting obligations pursuant to any corporate integrity agreements, monitoring agreements, deferred prosecution agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Authority. (au) No Bad Actors. None of the Company, its Subsidiaries or any of its respective directors, officers, employees or, to the Company' s knowledge, agents, is debarred, suspended or excluded, or has been convicted of any crime or engaged in any conduct that could result in a debarment or exclusion, from any federal or state government health care program under 21 U. S. C. Sec. 335a or any similar state law, rule or regulation. Except as disclosed in the Registration Statement or the Prospectus, no claims, actions, proceedings or investigations that would reasonably be expected to result in such a debarment, suspension or exclusion are pending or, to the Company' s knowledge, threatened against the Company, its Subsidiaries or any of its respective directors, officers, employees or agents. (av) Export and Import Laws. Each of the Company and the Subsidiaries, and, to the Company' s knowledge, each of their affiliates and any director, officer, agent or employee of, or other person associated with or acting on behalf of, the Company has acted at all times in compliance with applicable Export and

Import Laws (as defined below) and there are no claims, complaints, charges, investigations or proceedings pending or expected or, to the knowledge of the Company, threatened between the Company or any of the Subsidiaries and any Governmental Authority under any Export or Import Laws. The term " Export and Import Laws " means the Arms Export Control Act, the International Traffic in Arms Regulations, the Export Administration Act of 1979, as amended, the Export Administration Regulations, and all other laws and regulations of the United States government regulating the provision of services to non- U. S. parties or the export and import of articles or information from and to the United States of America, and all similar laws and regulations of any foreign government regulating the provision of services to parties not of the foreign country or the export and import of articles and information from and to the foreign country to parties not of the foreign country. (aw) Material Agreements. There are no contracts or other documents required to be described in the Registration Statement or the Prospectus or filed as exhibits to the Registration Statement that are not described and filed as required. The statements made in the Prospectus, insofar as they purport to constitute summaries of the terms of the contracts and other documents described and filed, constitute accurate summaries of the terms of such contracts and documents in all material respects. Neither the Company nor any of its Subsidiaries has knowledge that any other party to any such contract or other document has any intention not to render full performance in all material respects as contemplated by the terms thereof. (ax) Certain Disclosure. The statements made in the Prospectus under the captions " Description of Capital Stock " and the statements made in the Company' s Annual Report on Form 10- K for the year ended December 31, 2023 under the caption " Item 1 — Business — Government Regulation ", insofar as they purport to constitute summaries of the terms of statutes, rules or regulations, legal or governmental proceedings or of contracts and other documents described therein, constitute accurate summaries of the terms of such statutes, rules and regulations, legal and governmental proceedings and contracts and other documents in all material respects. (ay) No Labor Disputes. No labor disturbance by or dispute with the employees of the Company or any of its Subsidiaries exists or, to the knowledge of the Company, is imminent that could reasonably be expected to have a Material Adverse Effect. (az) No Default. Neither the Company nor any of its Subsidiaries (i) is in violation of its articles of association, charter or by- laws (or similar organizational documents), (ii) is in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant, condition or other obligation contained in any indenture, mortgage, deed of trust, loan agreement, license or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject, or (iii) is in violation of any statute or any order, rule or regulation of any Governmental Authority having jurisdiction over it or its property or assets or has failed to obtain any license, permit, certificate, franchise or other governmental authorization or permit necessary to the ownership of its property or to the conduct of its business, except in the case of clauses (ii) and (iii), to the extent any such conflict, breach, violation or default could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. (ba) Employee Matters. (i) Each " employee benefit plan " (within the meaning of Section 3 (3) of the Employee Retirement Security Act of 1974, as amended (" ERISA ")) for which the Company or any member of its " Controlled Group " (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Code) would have any liability (each a " Plan ") has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations including ERISA and the Code in all material respects; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan excluding transactions effected pursuant to a statutory or administrative exemption; (iii) with respect to each Plan subject to Title IV of ERISA (A) no " reportable event " (within the meaning of Section 4043 (c) of ERISA) has occurred or is reasonably expected to occur, (B) no " accumulated funding deficiency " (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred or is reasonably expected to occur, (C) the fair market value of the assets under each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan), and (D) neither the Company nor any member of its Controlled Group has incurred, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation in the ordinary course and without default) in respect of a Plan (including a " multiemployer plan ", within the meaning of Section 4001 (e) (3) of ERISA); and (iv) each Plan that is intended to be qualified under Section 401 (a) of the Code is so qualified and, to the Company' s knowledge, nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification. (bb) Market Data. The statistical and market- related data included or incorporated by reference in the Registration Statement and the Prospectus is based on or derived from sources that the Company believes to be reliable in all material respects. (bc) Registration Rights. Except as disclosed in the Registration Statement or the Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such person. The Company is not required to include any securities with the securities being offered and sold pursuant to this Agreement. (bd) Forward- Looking Statements. No forward- looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith. (be) Valid Agreements. All agreements between the Company and third parties expressly referenced in the Prospectus are legal, valid and binding obligations of the Company enforceable in accordance with their respective terms, except to the extent that (i) enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles and (ii) the indemnification provisions of certain agreements may be limited by federal or state securities laws or public policy considerations in respect thereof. (bf) Not a Shell Company. The Company is not a shell company (as defined in Rule 405 under the Securities Act) and has not been a shell company for at least 12 calendar months previously and if it has been a shell company at any time previously, has filed current Form 10 information (as defined in General Instruction I. B. 6 of Form S- 3) with the Commission at least 12 calendar months previously reflecting its status as an entity that is not a shell

company. (bg) Not a Broker / Dealer. Neither the Company nor any of its Subsidiaries (i) is required to register as a " broker " or " dealer " in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or is a " person associated with a member " or " associated person of a member " (within the meaning set forth in the FINRA Manual). (bh) No Integration. The Company has not sold or issued any securities that would be integrated with the offering of the Placement Shares contemplated by this Agreement pursuant to the Securities Act, the rules and regulations thereunder or the interpretations thereof by the Commission. (bi) No Off- Balance Sheet Transactions. There are no transactions, arrangements and other relationships between and / or among the Company, and / or any of its affiliates and any unconsolidated entity, including, but not limited to, any structural finance, special purpose or limited purpose entity (each, an " Off- Balance Sheet Transaction ") that could reasonably be expected to affect materially the Company' s liquidity or the availability of or requirements for its capital resources, including those Off- Balance Sheet Transactions described in the Commission' s Statement about Management' s Discussion and Analysis of Financial Conditions and Results of Operations (Release Nos. 33- 8056; 34- 45321; FR- 61), required to be described in the Prospectus which have not been described as required. (bj) Approval of Listing of Placement Shares. The Placement Shares to be sold by the Company have been approved for listing, subject to official notice of issuance and evidence of satisfactory distribution, on Nasdaq. (bk) Compliance with Employment Laws. Neither the Company nor any of its Subsidiaries is in violation of or has received notice of any violation with respect to any federal or state law relating to discrimination in the hiring, promotion or pay of employees, nor any applicable federal or state wage and hour laws, nor any state law precluding the denial of credit due to the neighborhood in which a property is situated, the violation of any of which could reasonably be expected to have a Material Adverse Effect. (bl) Taxes. On each Settlement Date, all stock transfer or other similar taxes (other than income taxes) which are required to be paid in connection with the sale and transfer of the Placement Shares to be sold hereunder will be, or will have been, fully paid or provided for by the Company and all laws imposing such taxes will be or will have been fully complied with. (bm) Margin Rules. Neither the issuance, sale and delivery of the Placement Shares nor the application of the proceeds thereof by the Company as described in the Registration Statement and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors. (bn) Other At The Market Sales Agreements. The Company is not a party to any agreement with an agent or underwriter for any other " at the market " or continuous equity transaction. Any certificate signed by an officer of the Company and delivered to Cowen or to counsel for Cowen pursuant to or in connection with this Agreement shall be deemed to be a representation and warranty by the Company to Cowen as to the matters set forth therein. The Company acknowledges that Cowen and, for purposes of the opinions to be delivered pursuant to Section 7 hereof, counsel to the Company and counsel to Cowen, will rely upon the accuracy and truthfulness of the foregoing representations and hereby consents to such reliance. 7. Covenants of the Company. The Company covenants and agrees with Cowen that: (a) Registration Statement Amendments. After the date of this Agreement and during any period in which a Prospectus relating to any Placement Shares is required to be delivered by Cowen under the Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act), (i) the Company will notify Cowen promptly of the time when any subsequent amendment to the Registration Statement, other than documents incorporated by reference, has been filed with the Commission and / or has become effective or any subsequent supplement to the Prospectus has been filed and of any request by the Commission for any amendment or supplement to the Registration Statement or Prospectus or for additional information, (ii) the Company will prepare and file with the Commission, promptly upon Cowen' s request, any amendments or supplements to the Registration Statement or Prospectus that, in Cowen' s reasonable opinion, may be necessary or advisable in connection with the distribution of the Placement Shares by Cowen (provided, however, that the failure of Cowen to make such request shall not relieve the Company of any obligation or liability hereunder, or affect Cowen' s right to rely on the representations and warranties made by the Company in this Agreement and provided, further, that the only remedy Cowen shall have with respect to the failure to make such filing will be to cease making sales under this Agreement until such amendment or supplement is filed); (iii) the Company will not file any amendment or supplement to the Registration Statement or Prospectus, other than documents incorporated by reference, relating to the Placement Shares or a security convertible into the Placement Shares unless a copy thereof has been submitted to Cowen within a reasonable period of time before the filing and Cowen has not reasonably objected thereto (provided, however, that (A) the failure of Cowen to make such objection shall not relieve the Company of any obligation or liability hereunder, or affect Cowen' s right to rely on the representations and warranties made by the Company in this Agreement, (B) the Company has no obligation to provide Cowen any advance copy of such filing or to provide Cowen an opportunity to object to such filing if the filing does not name Cowen or does not relate to the transaction herein provided, and (C) the only remedy Cowen shall have with respect to the failure by the Company to provide Cowen with such copy or the filing of such amendment or supplement despite Cowen' s objection shall be to cease making sales under this Agreement) and the Company will furnish to Cowen at the time of filing thereof a copy of any document that upon filing is deemed to be incorporated by reference into the Registration Statement or Prospectus, except for those documents available via EDGAR; (iv) the Company will cause each amendment or supplement to the Prospectus, other than documents incorporated by reference, to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424 (b) of the Securities Act, and (v) prior to the termination of this Agreement, the Company will notify Cowen if at any time the Registration Statement shall no longer be effective as a result of the passage of time pursuant to Rule 415 under the Securities Act or otherwise. (b) Notice of Commission Stop Orders. The Company will advise Cowen, promptly after it receives notice or obtains knowledge thereof, of the issuance or threatened issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement, of the suspension of the qualification of the Placement Shares for offering or sale in any jurisdiction, or of the initiation or threatening of any proceeding for any such purpose; and it will promptly use its commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such a stop order should be issued. (c) Delivery of Prospectus; Subsequent Changes. During any period in which a

Prospectus relating to the Placement Shares is required to be delivered by Cowen under the Securities Act with respect to a pending sale of the Placement Shares, (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act), the Company will comply with all requirements imposed upon it by the Securities Act, as from time to time in force, and will file on or before their respective due dates (taking into account any extensions available under the Exchange Act) all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Sections 13 (a), 13 (c), 14, 15 (d) or any other provision of or under the Exchange Act. If during such period any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances then existing, not misleading, or if during such period it is necessary to amend or supplement the Registration Statement or Prospectus to comply with the Securities Act, the Company will promptly notify Cowen to suspend the offering of Placement Shares during such period and the Company will promptly amend or supplement the Registration Statement or Prospectus (at the expense of the Company) so as to correct such statement or omission or effect such compliance; provided, however, that the Company may delay any such amendment or supplement if, in the reasonable judgment of the Company, it is in the interests of the Company to do so. Until such time as the Company shall have corrected such misstatement or omission or effected such compliance, the Company shall not notify Cowen to resume the offering of Placement Shares. (d) Listing of Placement Shares. During any period in which the Prospectus relating to the Placement Shares is required to be delivered by Cowen under the Securities Act with respect to a pending sale of the Placement Shares (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act), the Company will use its commercially reasonable efforts to cause the Placement Shares to be listed on Nasdaq and to qualify the Placement Shares for sale under the securities laws of such jurisdictions as Cowen reasonably designates and to continue such qualifications in effect so long as required for the distribution of the Placement Shares; provided, however, that the Company shall not be required in connection therewith to qualify as a foreign corporation or dealer in securities or file a general consent to service of process in any jurisdiction. (e) Delivery of Registration Statement and Prospectus. The Company will furnish to Cowen and its counsel (at the expense of the Company) copies of the Registration Statement, the Prospectus (including all documents incorporated by reference therein) and all amendments and supplements to the Registration Statement or Prospectus that are filed with the Commission during any period in which a Prospectus relating to the Placement Shares is required to be delivered under the Securities Act (including all documents filed with the Commission during such period that are deemed to be incorporated by reference therein), in each case as soon as reasonably practicable and in such quantities as Cowen may from time to time reasonably request and, at Cowen' s request, will also furnish copies of the Prospectus to each exchange or market on which sales of the Placement Shares may be made; provided, however, that the Company shall not be required to furnish any document (other than the Prospectus) to Cowen to the extent such document is available on EDGAR. (f) Earnings Statement. The Company will make generally available to its security holders as soon as practicable, but in any event not later than 15 months after the end of the Company' s current fiscal quarter, an earnings statement covering a 12- month period that satisfies the provisions of Section 11 (a) and Rule 158 of the Securities Act. For the avoidance of doubt, the Company' s compliance with the reporting requirements of the Exchange Act shall be deemed to satisfy the requirements of this Section 7 (f). (g) Expenses. The Company, whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, in accordance with the provisions of Section 11 hereunder, will pay the following expenses all incident to the performance of its obligations hereunder, including, but not limited to, expenses relating to (i) the preparation, printing and filing of the Registration Statement and each amendment and supplement thereto, of each Prospectus and of each amendment and supplement thereto, (ii) the preparation, issuance and delivery of the Placement Shares, (iii) the qualification of the Placement Shares under securities laws in accordance with the provisions of Section 7 (d) of this Agreement, including filing fees (provided, however, that any fees or disbursements of counsel for Cowen in connection therewith shall be paid by Cowen except as set forth in (vii) below), (iv) the printing and delivery to Cowen of copies of the Prospectus and any amendments or supplements thereto, and of this Agreement, (v) the fees and expenses incurred in connection with the listing or qualification of the Placement Shares for trading on Nasdaq, (vi) the filing fees and expenses, if any, of the Commission, (vii) the filing fees and associated legal expenses of Cowen' s outside counsel for filings with the FINRA Corporate Financing Department, such legal expense reimbursement not to exceed $ 15, 000 and, (viii) the reasonable fees and disbursements of Cowen' s counsel in an amount not to exceed $ 75, 000. (h) Use of Proceeds. The Company will use the Net Proceeds as described in the Prospectus in the section entitled " Use of Proceeds. " (i) Notice of Other Sales. During the pendency of any Placement Notice given hereunder, and for 5 trading days following the termination of any Placement Notice given hereunder, the Company shall provide Cowen notice as promptly as reasonably possible before it offers to sell, contracts to sell, sells, grants any option to sell or otherwise disposes of any shares of Common Stock (other than Placement Shares offered pursuant to the provisions of this Agreement) or securities convertible into or exchangeable for Common Stock, warrants or any rights to purchase or acquire Common Stock; provided, that such notice shall not be required in connection with the (i) issuance, grant or sale of Common Stock, options to purchase shares of Common Stock, restricted shares of Common Stock, restricted stock units or other equity awards, or Common Stock issuable upon the exercise of options or other equity awards pursuant to any stock option, stock bonus or other stock plan or arrangement described in the Prospectus, (ii) the issuance of securities in connection with an acquisition, merger or sale or purchase of assets, (iii) the issuance or sale of Common Stock pursuant to any dividend reinvestment plan that the Company may adopt from time to time provided the implementation of such is disclosed to Cowen in advance or (iv) any shares of Common Stock issuable upon the exchange, conversion or redemption of securities or the exercise of warrants, options or other rights in effect or outstanding or (v) the issuance or sale of Common Stock, or securities convertible into or exercisable for Common Stock, offered and sold in a privately negotiated transaction to vendors, customers, strategic partners or potential strategic partners conducted in a manner so as not to be integrated with the offering of Common Stock hereby. Nothing contained in this Section 7 (i) shall be construed to

~~restrict the Company' s ability, or require the Company to provide notice to Cowen, to file a registration statement under the Securities Act. (j) Change of Circumstances. The Company will, at any time during a fiscal quarter in which the Company intends to tender a Placement Notice or sell Placement Shares, advise Cowen promptly after it shall have received notice or obtained knowledge thereof, of any information or fact that would alter or affect in any material respect any opinion, certificate, letter or other document provided to Cowen pursuant to this Agreement. (k) Due Diligence Cooperation. During the term of this Agreement, the Company will cooperate with any reasonable due diligence review conducted by Cowen or its agents in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company' s principal offices or such other location mutually agreeable by the parties, as Cowen may reasonably request. (l) Required Filings Relating to Placement of Placement Shares. The Company agrees that on such dates as the Securities Act shall require, the Company will (i) file a prospectus supplement with the Commission under the applicable paragraph of Rule 424 (b) under the Securities Act (each and every filing under Rule 424 (b), a " Filing Date "), and (ii) deliver such number of copies of each such prospectus supplement to each exchange or market on which such sales were effected as may be required by the rules or regulations of such exchange or market. The Company shall disclose in its quarterly reports on Form 10- Q and in its annual report on Form 10- K, the number of the Placement Shares sold through Cowen under this Agreement, and the gross proceeds and Net Proceeds to the Company from the sale of the Placement Shares and the compensation paid by the Company with respect to sales of the Placement Shares pursuant to this Agreement during the relevant quarter or, in the case of an Annual Report on Form 10- K, during the fiscal year covered by such Annual Report on Form 10- K and the fourth quarter of such fiscal year. (m) Bring- Down Dates; Certificate. On or prior to the First Delivery Date and thereafter, during the term of this Agreement, each time (i) the Company files the Prospectus relating to the Placement Shares or amends or supplements the Registration Statement or the Prospectus relating to the Placement Shares (other than a prospectus supplement filed in accordance with Section 7 (l) of this Agreement) by means of a post- effective amendment, sticker, or supplement but not by means of incorporation of document (s) by reference to the Registration Statement or the Prospectus relating to the Placement Shares; (ii) the Company files an annual report on Form 10- K under the Exchange Act; (iii) the Company files its quarterly reports on Form 10- Q under the Exchange Act; or (iv) the Company files a current report on Form 8- K containing amended financial information (other than an earnings release) under the Exchange Act (each date of filing of one or more of the documents referred to in clauses (i) through (iv) shall be a" Bring- Down Date"); the Company shall furnish Cowen with a certificate, in the form attached hereto as Exhibit 7 (m) within~~ two (2) **full trading days following its release. For example, if we announce material nonpublic information before trading begins on Wednesday, then you may execute a transaction in our securities on Friday; if we announce material nonpublic information after trading ends on Wednesday, then you may execute a transaction in our securities on Monday. Depending on the particular circumstances, the Company may determine that a longer waiting period should apply to the release of specific material nonpublic information. If you are unsure or have questions, please call the CFO or GC for advice. D. When and How to Trade the Company Securities 1. Overview All Restricted Persons, as well as their respective Restricted Affiliates, must comply with the restrictions detailed below. Specifically, Restricted Persons and each of their Restricted Affiliates may only purchase or sell the Company' s securities if all of the following three requirements are satisfied: (1) you are not aware of material non- public information as described above, (2) the trading window is not currently restricted as described below, and (2) the trade was pre- cleared under the Company' s mandatory pre- clearance policy as detailed below. In addition, Restricted Persons and their Restricted Affiliates may only purchase or sell securities of public companies in which the Company has a material interest or relationship, or is contemplating having a material interest or relationship (namely, a material interest or relationship (actual or contemplated) in the Company' s business partners, agents, distributors, customers or acquisition or investment targets, which we collectively refer to herein as " Restricted Companies "), if the following two requirements are satisfied: (1) you are not aware of material non- public information relating to the Restricted Companies; and (2) the trade was pre- cleared under the Company' s mandatory pre- clearance policy as detailed below. Before you purchase or sell the Company' s securities or securities of any Restricted Company, you should bear in mind a potential liquidity trap that you could face: you could receive permission to purchase a security or have your interest in a security vest, but later be refused permission to sell it (or exercise and then sell it), at least temporarily, because the trading window is restricted at that time or you do not receive pre- clearance from the CEO or CFO. These situations are frequently beyond the control of the Company, and could lock you into an unwanted investment for a considerable period of time. This risk is an inherent, and necessary, part of the Company' s policy with respect to trading the Company' s securities and securities of Restricted Companies. 2. Restricted** Trading ~~Days~~ **Period Restricted Persons may only purchase or sell the Company' securities if they are not aware** of **material non- public information about the Company or such Restricted Company. In addition, Restricted Persons must pre- clear all purchases and sales with the CEO or CFO. From time to time, the Company may restrict trading from time to time either with or without prior notice for a defined period of time (a " Restricted Trading Period ") due to material non- public information developments, including in anticipation of the announcement of clinical trial results. In such an event, the CEO, CFO or GC may notify particular individuals or the Company as a whole that a Restricted Trading Period has been imposed and they should not engage in** any ~~Bring- Down Date~~ **purchase or sale of the Company securities (trading restrictions may also be imposed on securities of one or more Restricted Companies** if ~~requested~~ **the material non- public information pertains to such Restricted Companies), and such individuals should not disclose to others the fact that a Restricted Trading Period has been imposed. If you are in doubt whether the Company is in a Restricted Trading Period, consult the CEO, CFO or GC. Even during a Restricted Trading Period, you may exercise the Company stock options if no shares are to be sold (or exercise a " net exercise " right or tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to**

satisfy tax withholding obligations); you may not, however, effect sales of the underlying shares issued upon the exercise of stock options (including same- day sales and " cashless exercises "). Generally, all pending purchase / sale orders regarding the Company securities must be executed outside of any Restricted Trading Period or otherwise cancelled when a Restricted Trading Period has been imposed. In addition, even if a Restricted Trading Period has been imposed, you may purchase and sell Company securities pursuant to a Qualified Rule 10b5- 1 Plan, as discussed below. If you expect a need to sell the Company securities at a specific time in the future, you may wish to consider entering into such a plan. Under certain circumstances, you may also be permitted to gift or make charitable donations of the Company securities when a Restricted Trading Period is imposed, provided any such gift or donation is pre- approved by ~~Cowen~~ **the CEO or CFO and you are not in possession of material non- public information at the time of the gift or contribution** . **3. Mandatory Pre- Clearance Procedures** The ~~requirement~~ **Company requires all Restricted Persons who are not in possession of material non- public information and who wish** to **engage** ~~provide a certificate under this Section 7 (m~~ **or have a Restricted Affiliate who wishes to engage** ~~) shall~~ **in any purchase or sale involving the Company securities or securities of Restricted Companies (including any option exercise, share purchase, share sale, gift, loan, pledge, hedge, contribution to a trust, or any other transfer or acquisition), to first obtain pre- clearance of the purchase or sale from the CEO or CFO unless the purchase or sale is pursuant to a Qualified Rule 10b5- 1 Plan, as discussed below. A request for pre-clearance should** be ~~automatically waived~~ **submitted to the CEO** ~~for~~ **or CFO** ~~any Bring- Down Date occurring~~ at **least** ~~a time at which no Placement Notice is pending, which waiver shall continue until the earlier to occur of the date the Company delivers a Placement Notice hereunder (which for such calendar quarter shall be considered a Bring- Down Date) and the next occurring Bring- Down Date. Notwithstanding the foregoing, if the Company subsequently decides to sell Placement Shares following a Bring- Down Date when the Company relied on such waiver and did not provide Cowen with a certificate under this Section 7 (m), then before the Company delivers the Placement Notice or Cowen sells any Placement Shares, the Company shall provide Cowen with a certificate, in the form attached hereto as Exhibit 7 (m), dated the date of the Placement Notice. (n) Legal Opinion. (i) On or prior to the First Delivery Date and within~~ two (2) ~~Trading~~ **U. S. business** ~~Days~~ **days in advance** of ~~each Bring- Down Date with respect~~ **the proposed purchase or sale, unless the CEO or CFO agrees** to ~~which~~ **a shorter period. The CEO or CFO will then determine whether the purchase or sale may proceed and will promptly notify you of this determination. When making a pre- clearance request, you need to be certain to include all relevant information concerning the proposed purchase or sale and how best to be reached. The CEO or CFO may withhold clearance for the proposed purchase or sale, in his discretion, for various reasons including the following: • you may possess material non-public information; •** the Company is ~~obligated to deliver a certificate~~ in **a Restricted Trading Period; •** the ~~form attached hereto~~ **purchase or sale does not comply with Rule 144 of the Securities Act of 1933,** as ~~Exhibit 7~~ **amended, and other legal requirements; • the purchase or sale could result in adverse publicity or have a material adverse impact on trading in the Company' securities or the Company; • you are subject to Section 16** (~~m~~ **a**) ~~for which~~ **of the Exchange Act and sufficient advance notice had** ~~no~~ **not been given** ~~waiver is applicable, the Company shall cause~~ to ~~be furnished~~ **allow time** to **prepare** ~~Cowen (a) a written opinion~~ and **review a Form 4; • the purchase or sale could result in liability to you under the short-swing trading rules of Section 16** (b) ~~a negative assurance letter~~ of ~~Cooley LLP~~ **the Exchange Act** (**see below); or • other relevant considerations cause the purchase or sale to be inappropriate. Please be aware that, if the clearance of a proposed purchase or sale is withheld by the CEO or CFO, the decision cannot be** " **overruled** ~~Company Counsel~~ " **by any member** ~~) and a written opinion~~ of **management. In** ~~Foley & Lardner LLP (" Intellectual Property Counsel "), or other~~ -- **the event of a disagreement regarding a proposed purchase or sale, the CEO or CFO may be required to report the proposed purchase or sale to the Audit Committee of the Board of Directors. The CEO or CFO and the Audit Committee may obtain the advice of outside legal** counsel ~~satisfactory to Cowen, in form and substance reasonably satisfactory to Cowen and its counsel, each dated as of the date of delivery; provided, however, that in lieu of such opinions for subsequent Bring- Down Dates, counsel may furnish Cowen with a letter (a " Reliance Letter ") to the effect that Cowen may rely on a prior opinion delivered under this Section 7 (n) to the same extent as if it were dated the date of such letter (except that statements in such prior opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended or supplemented at such Bring- Down Date). (o) Comfort Letter. On or prior to the First Delivery Date and within two (2) Trading Days of each Bring-Down Date~~ with respect to ~~which~~ **a pre- clearance request. You may not in any event engage in** the ~~Company~~ **proposed purchase or sale until a request has been pre- cleared in writing. If a purchase or sale** is **approved under** ~~obligated to deliver a certificate in~~ the ~~form attached hereto as Exhibit 7~~ **pre- clearance policy, the purchase or sale must be executed within five** (~~m~~ **5**) ~~for which no waiver~~ **business days after the approval** is **obtained. Notwithstanding** ~~applicable, the Company shall cause its independent accountants to furnish Cowen letters (the " Comfort Letters "), dated the date the Comfort Letter is delivered, in form and substance reasonably satisfactory to Cowen, (i) confirming that they~~ - **the CEO** ~~are an independent registered public accounting firm within the meaning of the Securities Act and the Public Company Accounting Oversight Board, (ii) stating, as of such date, the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' " comfort letters " to Cowen in connection with registered public offerings (the first such letter, the " Initial Comfort Letter ") and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter. (p) Market Activities. The Company will not, directly or indirectly, (i) take any action designed to cause or result in, or that constitutes or might reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Placement Shares or (ii) sell, bid for, or purchase the Common Stock to be issued and sold pursuant to this Agreement, or pay anyone any compensation for soliciting purchases of the Placement Shares other than Cowen; provided, however, that the Company may bid for and purchase Common Stock in accordance with Rule 10b- 18 under the Exchange Act.~~

(q) Insurance. The Company and its subsidiaries shall maintain, or cause to be maintained, insurance in such amounts and covering such risks as is reasonable and customary for the business for which it is engaged. (r) Compliance with Laws. The Company and each of its subsidiaries shall maintain, or cause to be maintained, all material environmental permits, licenses and other authorizations required by federal, state and local law in order to conduct their businesses as described in the Prospectus, and the Company and each of its subsidiaries shall conduct their businesses, or cause their businesses to be conducted, in substantial compliance with such permits, licenses and authorizations and with applicable environmental laws, except where the failure to maintain or be in compliance with such permits, licenses and authorizations could not reasonably be expected to result in a Material Adverse Effect. (s) Investment Company Act. The Company will conduct its affairs in such a manner so as to reasonably ensure that neither it nor its subsidiaries will be or become, at any time prior to the termination of this Agreement, an " investment company, " as such term is defined in the Investment Company Act, assuming no change in the Commission ' s current interpretation as to entities that are not considered an investment company. (t) Securities Act and Exchange Act. The Company will use its commercially reasonable efforts to comply with all requirements imposed upon it by the Securities Act and the Exchange Act as from time to time in force, so far as necessary to permit the continuance of sales of, or dealings in, the Placement Shares as contemplated by the provisions hereof and the Prospectus. (u) No Offer to Sell. Other than a Permitted Free Writing Prospectus, neither Cowen nor - **or CFO** the Company (including its agents and representatives, other than Cowen in its capacity as such) will make, use, prepare, authorize, approve or refer to any written communication (as defined in Rule 405 under the Securities Act), required to be filed with the Commission, that constitutes an offer to sell or solicitation of an offer to buy Common Stock hereunder. (v) Sarbanes- Oxley Act. The Company and its subsidiaries will use their commercially reasonable efforts to comply with all effective applicable provisions of the Sarbanes- Oxley Act. (w) Affirmation. Each Placement Notice delivered by the Company to Cowen shall be deemed to be (i) an affirmation that the representations, warranties and agreements of the Company herein contained and contained in any certificate delivered to Cowen pursuant hereto are true and correct at the time of delivery of such Placement Notice, and (ii) an undertaking that such representations, warranties and agreements will be true and correct on any applicable Time of Sale and Settlement Date, as though made at and as of each such time (it being understood that such representations, warranties and agreements shall relate to the Registration Statement and the Prospectus as amended and supplemented to the time of such Placement Notice acceptance). 8. Renewal. If immediately prior to the third anniversary (the " Renewal Deadline ") of the initial effective date of the Registration Statement, the aggregate gross sales price of Placement Shares sold by the Company is less than the Maximum Amount and this Agreement has not expired or been terminated, the Company will, prior to the Renewal Deadline, file, if it has not already done so and is eligible to do so, a new shelf registration statement relating to the Placement Shares, in a form satisfactory to Cowen, and, if not automatically effective, will use its commercially reasonable efforts to cause such registration statement to be declared effective within 60 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the issuance and sale of the Placement Shares to continue as contemplated in the expired registration statement relating to the Placement Shares. References herein to the Registration Statement shall include such new shelf registration statement. 9. Conditions to Cowen ' s **approval** Obligations. The obligations of Cowen hereunder with respect to a **trade** Placement Notice will be subject to the continuing accuracy and completeness of the representations and warranties made by the Company herein , **your trade** to the due performance by the Company of its obligations hereunder and thereunder, to the completion by Cowen of a due diligence review satisfactory to Cowen in its reasonable judgment, and to the continuing satisfaction (or waiver by Cowen in its sole discretion) of the following additional conditions: (a) Registration Statement Effective. The Registration Statement shall be effective and shall be available for (i) all sales of Placement Shares issued pursuant to all prior Placement Notices and (ii) the sale of all Placement Shares contemplated to be issued pursuant to any Placement Notice. (b) No Material Notices. None of the following events shall have occurred and be continuing: (i) receipt by the Company or any of its subsidiaries of any request for additional information from the Commission or any other federal or state Governmental Authority during the period of effectiveness of the Registration Statement, the response to which would require any post- effective amendments or supplements to the Registration Statement or the Prospectus; (ii) the issuance by the Commission or any other federal or state Governmental Authority of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose; (iii) receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Placement Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; or (iv) the occurrence of any event that makes any material statement made in the Registration Statement or the Prospectus or any material document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in the Registration Statement, related Prospectus or such documents so that, in the case of the Registration Statement, it will not contain any materially untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and, that in the case of the Prospectus, it will not contain any materially untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. (c) No Misstatement or Material Omission. Cowen shall not have advised the Company that the Registration Statement or Prospectus, or any amendment or supplement thereto, contains an untrue statement of fact that in Cowen ' s reasonable opinion is material, or omits to state a fact that in Cowen ' s reasonable opinion is material and is required to be stated therein or is necessary to make the statements therein not misleading. (d) Material Changes. Except as contemplated in the Prospectus, or disclosed in the Company ' s reports filed with the Commission, there shall not have been any material adverse change, on a consolidated basis, in the authorized capital stock of the Company or any Material Adverse Effect or any development that would reasonably be expected to result in a Material Adverse Effect, or any downgrading in or withdrawal of the rating assigned to any of the Company ' s securities (other than asset backed securities) by any rating organization or a public announcement by any rating organization that it has under surveillance or review its rating of any of the

Company' s securities (other than asset backed securities), the effect of which, in the case of any such action by a rating organization described above, in the reasonable judgment of Cowen (without relieving the Company of any obligation or liability it may otherwise have), is so material as to make it impracticable or inadvisable to proceed with the offering of the Placement Shares on the terms and in the manner contemplated in the Prospectus. (c) Company Counsel Legal Opinion. Cowen shall have received (i) the opinions of Company Counsel and Intellectual Property Counsel and (ii) the negative assurance letter of Company Counsel required to be delivered pursuant to Section 7 (n) on or before the date on which such delivery of such opinion is required pursuant to Section 7 (n). (f) Cowen Counsel Legal Opinion. Cowen shall have received from Latham & Watkins LLP, counsel for Cowen, such opinion or opinions, on or before the date on which the delivery of the Company Counsel legal opinion is required pursuant to Section 7 (n), with respect to such matters as Cowen may reasonably require, and the Company shall have furnished to such counsel such documents as they request for enabling them to pass upon such matters. (g) Comfort Letter. Cowen shall have received the Comfort Letter required to be delivered pursuant to Section 7 (o) on or before the date on which such delivery of such Comfort Letter is required pursuant to Section 7 (o). (h) Representation Certificate. Cowen shall have received the certificate required to be delivered pursuant to Section 7 (m) on or before the date on which delivery of such certificate is required pursuant to Section 7 (m). (i) Secretary' s Certificate. On or prior to the First Delivery Date, Cowen shall have received a certificate, signed on behalf of the Company by its corporate secretary, in form and substance reasonably satisfactory to Cowen and its counsel. (j) No Suspension. Trading in the Common Stock shall not have been suspended on Nasdaq. (k) Other Materials. On each date on which the Company is required to deliver a certificate pursuant to Section 7 (m), the Company shall have furnished to Cowen such appropriate further information, certificates and documents as Cowen may have reasonably requested. All such opinions, certificates, letters and other documents shall have been in compliance with the provisions hereof. The Company will furnish Cowen with such conformed copies of such opinions, certificates, letters and other documents as Cowen shall have reasonably requested. (l) Securities Act Filings Made. All filings with the Commission required by Rule 424 under the Securities Act to have been filed prior to the issuance of any Placement Notice hereunder shall have been made within the applicable time period prescribed for such filing by Rule 424. (m) Approval for Listing. The Placement Shares shall either have been (i) approved for listing on Nasdaq, subject only to notice of issuance, or (ii) the Company shall have filed an application for listing of the Placement Shares on Nasdaq at, or prior to, the issuance of any Placement Notice. (n) No Termination Event. There shall not have occurred any event that would permit Cowen to terminate this Agreement pursuant to Section 11 (a). 10. Indemnification and Contribution. (a) Company Indemnification. The Company agrees to indemnify and hold harmless Cowen, the directors, officers, partners, employees and agents of Cowen and each person, if any, who (i) controls Cowen within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, or (ii) is controlled by or is under common control with Cowen from and against any and all losses, claims, liabilities, expenses and damages (including, but not limited to, any and all reasonable investigative, legal and other expenses incurred in connection with, and any and all amounts paid in settlement (in accordance with Section 9 (e)) of, any action, suit or proceeding between any of the indemnified parties and any indemnifying parties or between any indemnified party and any third party, or otherwise, or any claim asserted), as and when incurred, to which Cowen, or any such person, may become subject under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, liabilities, expenses or damages arise out of or are based, directly or indirectly, on (x) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus or any amendment or supplement to the Registration Statement or the Prospectus or in any free writing prospectus or in any application or other document executed by or on behalf of the Company or based on written information furnished by or on behalf of the Company filed in any jurisdiction in order to qualify the Common Stock under the securities laws thereof or filed with the Commission, (y) the omission or alleged omission to state in any such document a material fact required to be stated in it or necessary to make the statements in it not misleading or (z) any breach by any of the indemnifying parties of any of their respective representations, warranties and agreements contained in this Agreement; provided, however, that this indemnity agreement shall not apply to the extent that such loss, claim, liability, expense or damage arises from the sale of the Placement Shares pursuant to this Agreement and is caused directly or indirectly by an untrue statement or omission made in reliance upon and in conformity with solely Agent' s Information. " Agent' s Information " means, solely, the following information in the Prospectus: the third sentence in the eighth paragraph under the caption " Plan of Distribution " in the Prospectus. This indemnity agreement will be in addition to any liability that the Company might otherwise have. (b) Cowen Indemnification. Cowen agrees to indemnify and hold harmless the Company and its directors and each officer of the Company that signed the Registration Statement, and each person, if any, who (i) controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act or (ii) is controlled by or is under common control with the Company against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 9 (a), as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendments thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with the Agent' s Information. (c) Procedure. Any party that proposes to assert the right to be indemnified under this Section 9 will, promptly after receipt of notice of commencement of any action against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section 9, notify in writing each such indemnifying party of the commencement of such action, enclosing a copy of all papers served, but the failure to so notify such indemnifying party will not relieve the indemnifying party from (i) any liability that it might have to any indemnified party otherwise than under this Section 9 and (ii) any liability that it may have to any indemnified party under the foregoing provision of this Section 9 unless, and only to the extent that, such omission results in the forfeiture of substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies the indemnifying party of its commencement, the indemnifying party will be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified party promptly

after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to the indemnified party of its election to assume the defense, the indemnifying party will not be liable to the indemnified party for any legal or other expenses except as provided below and except for the reasonable and documented costs of investigation subsequently incurred by the indemnified party in connection with the defense. The indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm admitted to practice in such jurisdiction at any one time for all such indemnified party or parties. All such fees, disbursements and other charges will be reimbursed by the indemnifying party promptly after the indemnifying party receives a written invoice relating to fees, disbursements and other charges in reasonable detail. An indemnifying party will not, in any event, be liable for any settlement of any action or claim effected **executed** without its written consent. No indemnifying party shall, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding relating to the matters contemplated by this Section 9 (whether or not any indemnified party is a party thereto), unless such settlement, compromise or consent includes (1) an unconditional release of each indemnified party from all liability arising or that may arise out of such claim, action or proceeding and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party. (d) Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in the foregoing paragraphs of this Section 9 is applicable in accordance with its terms but for any reason is held to be unavailable from the Company or Cowen, the Company and Cowen will contribute to the total losses, claims, liabilities, expenses and damages (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted, but after deducting any contribution received by the Company from persons other than Cowen, such as persons who control the Company within the meaning of the Securities Act, officers of the Company who signed the Registration Statement and directors of the Company, who also may be liable for contribution) to which the Company and Cowen may be subject in such proportion as shall be appropriate to reflect the relative benefits received by the Company on the one hand and Cowen on the other. The relative benefits received by the Company on the one hand and Cowen on the other hand shall be deemed to be in the same proportion as the total Net Proceeds from the sale of the Placement Shares (before deducting expenses) received by the Company bear to the total compensation received by Cowen from the sale of Placement Shares on behalf of the Company. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and Cowen, on the other, with respect to the statements or omission that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to such offering. Such relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or Cowen, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and Cowen agree that it would not be just and equitable if contributions pursuant to this Section 9 (d) were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, liability, expense, or damage, or action in respect thereof, referred to above in this Section 9 (d) shall be deemed to include, for the purpose of this Section 9 (d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim to the extent consistent with Section 9 (c) hereof. Notwithstanding the foregoing provisions of this Section 9 (d), Cowen shall not be required to contribute any amount in excess of the commissions received by it under this Agreement and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11 (f) of the Securities Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 9 (d), any person who controls a party to this Agreement within the meaning of the Securities Act, and any officers, directors, partners, employees or agents of Cowen, will have the same rights to contribution as that party, and each officer of the Company who signed the Registration Statement will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against such party in respect of which a claim for contribution may be made under this Section 9 (d), will notify any such party or parties from whom contribution may be sought, but the omission to so notify will not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 9 (d) except to the extent that the failure to so notify such other party materially prejudiced the substantive rights or defenses of the party from whom contribution is sought. Except for a settlement entered into pursuant to the last sentence of Section 9 (c) hereof, no party will be liable for contribution with respect to any

~~action or claim settled without its written consent if such consent is required pursuant to Section 9 (c) hereof. 11. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 9 of this Agreement and all representations and warranties of the Company herein or in certificates delivered pursuant hereto shall survive, as of their respective dates, regardless of (i) any investigation made by or on behalf of Cowen, any controlling persons, or the Company (or any of their respective officers, directors or controlling persons), (ii) delivery and acceptance of the Placement Shares and payment therefor or (iii) any termination of this Agreement. 12. Termination. (a) Cowen shall have the right by giving notice as hereinafter specified at any time to terminate this Agreement~~ if (i) ~~any~~ **you acquire** ~~Material~~ **material** ~~Adverse Effect, or any development~~ **non- public information concerning the company whose securities you wish to trade during** that **time** ~~could reasonably be expected to result in a Material Adverse Effect has occurred that, in the reasonable judgment of Cowen, may materially impair the ability of Cowen to sell the Placement Shares hereunder~~ , (ii) the **CEO subsequently revokes his approval** ~~Company shall have failed, refused or been unable to perform any agreement on its part to be performed hereunder~~ , or (iii) ~~any other condition of Cowen' s obligations hereunder~~ **a Restricted Trading Period is subsequently imposed. If a purchase or sale** is not ~~fulfilled, or~~ **completed within the period described above** (~~iv~~ **or if the CEO or CFO revokes his approval or a Restricted Trading Period has been imposed**), **the purchase or sale must be cleared again with the CEO or CFO before it may be executed. Once** any ~~suspension~~ **transaction takes place, the applicable Restricted Person must immediately notify the CEO, CFO** or ~~limitation~~ **GC. If a proposed purchase or sale is not approved under the pre- clearance policy, you should refrain from initiating any trade in the Company securities, and you should not inform anyone within or outside** of **the Company of the restriction. 4. Rule 10b5- 1 Trading Plans Rule 10b5- 1 adopted by the SEC provides an affirmative defense to insider** trading ~~in the Placement Shares~~ **that is available to a person making a purchase** or ~~in~~ **sale of** securities ~~generally~~ **who demonstrates that the purchase or sale was effected pursuant to a pre- arranged " trading plan " that meets certain conditions. Notwithstanding the other provisions of this Policy, you may purchase or sell the Company securities and securities of Restricted Companies regardless of whether you may be aware of material** ~~on non Nasdaq~~ **- public information at the time of trading, provided that the purchase or sale is made pursuant to a trading plan validly established in compliance with the provisions of Rule 10b5- 1 and the following criteria are satisfied (a " Qualified Rule 10b5- 1 Plan "): • you must enter into the plan (including any amendments or terminations thereof) only during a time when you are not aware of material non- public information relating to the Company or the securities subject to this policy; • the plan must be a written plan or binding contract (i. e., the plan may not consist of an oral arrangement or order to purchase or sell the Company securities in the future) that does not allow you to exercise any subsequent influence over how, when or whether to effect the trade; • the plan must specify the amount, price and date of trades, or include a written formula, algorithm or computer program for their determination. Alternatively, you could delegate trading decisions to a third party who, at the time of trading did not have, and was not influenced by anyone who had, material non- public information; and • the plan is pre- cleared in advance by the CEO, CFO or GC as described below. In addition, a Qualified Rule 10b5- 1 Plan must comply with all other applicable disclosure and other requirements under federal and state securities laws. The Company may also require that all Qualified Rule 10b5- 1 Plans include additional safeguards for the benefit of the Company (e. g., customary lockup commitments associated with underwritings of the Company securities). Trades effected pursuant to a Qualified Rule 10b5- 1 Plan will not require further pre- clearance at the time of the trade if the plan complies with the requirements set forth above. You may not alter or deviate from the terms of a Qualified Rule 10b5- 1 Plan and you may not engage in any corresponding or hedging transactions. If you wish to implement, amend or terminate a Qualified Rule 10b5- 1 Plan, you must first have the plan (or any amendment or proposal to terminate) pre- cleared by the CEO, CFO or GC. Again, a Qualified Rule 10b5- 1 Plan may only be entered into, amended or terminated during a time when you are not aware of material non- public information and if the Company is not in a Restricted Trading Period. In pre- clearing the implementation, amendment or termination of a Qualified Rule 10b5- 1 Plan, the CEO, CFO or GC** shall **not be responsible for determining whether such plan is in compliance with the provisions of Rule 10b5- 1. Compliance with Rule 10b5- 1 is solely your responsibility, and we recommend you consult with your advisors regarding compliance. 5. Post- Termination Transactions The Policy continues to apply to your transactions in the Company securities even after you** have ~~occurred~~ **terminated employment or service with the Company** . ~~Any such~~ **If you are in possession of material non- public information when your employment or service terminates, you may not trade in the Company securities until that information has become public or is no longer material. 6. Domestic Relations Order This policy does not apply to the acquisition or disposition of the Company securities pursuant to a domestic relations order, as defined in the Internal Revenue Code of 1986, as amended, or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder. E. Reporting Violations / Seeking Advice Anyone who engages in insider trading or otherwise violates this policy may be subject to both civil liability and criminal penalties. Violators also risk disciplinary action by the Company, including** termination ~~shall be without liability~~ of **employment. You should refer suspected violation of this Policy to the CEO, CFO or GC. For assistance with** any **of** ~~party to any other -- the matters discussed in this Policy party except that the provisions of Section 7 (g) (Expenses)~~ , ~~Section 9 (Indemnification~~ **please contact the CEO, CFO or GC. Amendments The Company is committed to continuously reviewing and updating its policies and procedures. The Company therefore reserves the right to** ~~and~~ **amend** ~~Contribution)~~ , **alter or** ~~Section 10 (Representations and Agreements to Survive Delivery), Section 16 (Applicable Law; Consent to Jurisdiction) and Section 17 (Waiver of Jury Trial) hereof shall remain in full force and effect notwithstanding such termination. If Cowen elects to~~ terminate this **policy** ~~Agreement as provided in this Section 11 (a), Cowen shall provide the required notice as specified in Section 12 (Notices). (b) The Company shall have the right, by giving ten (10) days' notice as hereinafter specified to terminate this Agreement in its sole discretion~~ at any time **and for** ~~after the date of this Agreement. Any such termination shall be without liability of~~ any ~~party to any~~ **reason. A current**

copy of ~~other --~~ **the Company** ~~party except that the provisions of Section 7 (g), Section 9, Section 10, Section 16 and Section 17 hereof shall remain in full force and effect notwithstanding such termination. (c) Cowen shall have the right, by giving ten (10) days'~~ **s policies regarding insider trading** ~~notice as hereinafter specified to terminate this Agreement in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Section 7 (g), Section 9, Section 10, Section 16 and Section 17 hereof shall remain in full force and effect notwithstanding such termination. (d) Unless earlier terminated pursuant to this Section 11, this Agreement shall automatically terminate upon the issuance and sale of all of the Placement Shares through Cowen on the terms and subject to the conditions set forth herein; provided that the provisions of Section 7 (g), Section 9, Section 10, Section 16 and Section 17 hereof shall remain in full force and effect notwithstanding such termination. (e) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11 (a), (b), (c), or (d) above or otherwise by mutual agreement of the parties; provided, however, that any such termination by mutual agreement shall in all cases be deemed to provide that Section 7 (g), Section 9, Section 10, Section 16 and Section 17 shall remain in full force and effect. (f) Any termination of this Agreement shall be effective on the date specified in such notice of termination; provided, however, that such termination shall not be effective until the close of business on the date of receipt of such notice by Cowen or the Company, as the case~~ may be **obtained** ~~. If such termination shall occur prior to the Settlement Date for any sale of Placement Shares, such Placement Shares shall settle in accordance with the provisions of this Agreement. (g) In the event of termination of this Agreement prior to the sale of any Placement Shares, Cowen shall be entitled only to payment~~ by **contacting** ~~the Company of the expenses set forth in Section 7 (g) of this Agreement. 13. Notices. All notices or other --~~ **the CEO** ~~communications required or permitted to be given by any party to any other party pursuant to the terms of this Agreement shall be in writing~~, **CFO or GC** ~~unless otherwise specified in this Agreement, and if sent to Cowen, shall be delivered to Cowen at Cowen and Company, LLC, 599 Lexington Avenue, New York, NY 10022, fax no. 646- 562- 1130~~ **EXHIBIT A SECTION 16 DIRECTORS & OFFICERS NamePositionSteven BastaElisabeth Sandoval LittleAnthony BrunoSharon BarbariPatrick LePoreChristine BorowskiDavid DomzalskiTyler ZerondaMutya HarschIain StuartDirectorDirectorDirectorDirectorDirectorCEO** , ~~Attention:~~ **President and DirectorCFO and TreasurerChief Legal Officer, Secretary and** General Counsel **Chief Scientific Officer EXHIBIT B ACKNOWLEDGEMENT FORM The undersigned** , **a director** ~~email: Bradley. friedman @ cowen. com; or if sent to the Company~~ , ~~shall be delivered to~~ **officer, employee, service provider or designated consultant of** VYNE Therapeutics Inc. ~~;~~ ~~685 Route 202 / 206 N., Suite 301, Bridgewater, New Jersey 08807, Attention: Tyler Zeronda, Chief Financial Officer, and Mutya Harsch, Chief Legal Officer and General Counsel, email: Tyler. Zeronda @ VYNEtx. com and Mutya. Harsch @ VYNEtx. com, with a copy to Cooley LLP, attention: Brian Leaf and Mark Ballantyne, email: bleaf @ cooley. com and mballantyne @ cooley. com. Each party to this Agreement may change such address for~~ - **or its subsidiaries** ~~notices by sending to the parties to this Agreement written notice of a new address for such purpose. Each such notice or other communication shall be deemed given~~ (**collectively** ~~i) when delivered personally or by verifiable facsimile transmission (with an original to follow) on or before 4: 30 p. m.~~ , ~~New York City time, on a Business Day (as defined below), or, if such day is not a Business Day on the next succeeding Business Day, (ii) on the next Business Day after timely delivery to a nationally- recognized overnight courier and (iii) on the Business Day actually received if deposited in the U. S. mail (certified or registered mail, return receipt requested, postage prepaid). For purposes of this Agreement, " Business Day " shall mean any day on which the Nasdaq and commercial banks in the City of New York are open for business. 14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Company and Cowen and their respective successors and the affiliates, controlling persons, officers and directors referred to in Section 9 hereof. References to any of the parties contained in this Agreement shall be deemed to include the successors and permitted assigns of such party. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party; provided, however, that Cowen may assign its rights and obligations hereunder to an affiliate of Cowen without obtaining the Company' s consent. 15. Adjustments for Share Splits. The parties acknowledge and agree that all share- related numbers contained in this Agreement shall be adjusted to take into account any share split, share dividend or similar event effected with respect to the Common Stock. 16. Entire Agreement; Amendment; Severability. This Agreement (including all schedules and exhibits attached hereto and Placement Notices issued pursuant hereto) constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. Neither this Agreement nor any term hereof may be amended except pursuant to a written instrument executed by the Company and Cowen. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable as written by a court of competent jurisdiction, then such provision shall be given full force and effect to the fullest possible extent that it is valid, legal and enforceable, and the remainder of the terms and provisions herein shall be construed as if such invalid, illegal or unenforceable term or provision was not contained herein, but only to the extent that giving effect to such provision and the remainder of the terms and provisions hereof shall be in accordance with the intent of the parties as reflected in this Agreement. 17. Applicable Law; Consent to Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York without regard to the principles of conflicts of laws. Each party hereby irrevocably submits to the non- exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection with any transaction contemplated hereby, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by**

~~mailing a copy thereof (certified or registered mail, return receipt requested) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. 18. Waiver of Jury Trial. The Company and Cowen each hereby irrevocably waives any right it may have to a trial by jury in respect of any claim based upon or arising out of this Agreement or any transaction contemplated hereby. 19. Absence of Fiduciary Relationship. The Company acknowledges and agrees that: (a) Cowen has been retained solely to act as an arm' s length contractual counterparty to the Company in connection with the sale of the Placement Shares contemplated hereby and that no fiduciary, advisory or agency relationship between the Company and Cowen has been created in respect of any of the transactions contemplated by this Agreement, irrespective of whether Cowen has advised or is advising the Company on other matters; (b) the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement; (c) the Company has been advised that Cowen and its affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that Cowen has no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship; and (d) the Company waives, to the fullest extent permitted by law, any claims it may have against Cowen, for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that Cowen shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, partners, employees or creditors of the Company. 20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile or other electronic transmission (including pdf or any electronic signature complying with the U. S. federal ESIGN Act of 2000, e. g., www. docusign. com or www. echosign. com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. 21. Recognition of the U. S. Special Resolution Regimes. (a) In the event that Cowen is a Covered Entity and becomes subject to a proceeding under a U. S. Special Resolution Regime, the transfer from Cowen of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U. S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States. (b) In the event that Cowen is a Covered Entity and Cowen or a BHC Act Affiliate of Cowen becomes subject to a proceeding under a U. S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against Cowen are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U. S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States. (c) For purposes of this Section 20; (a) " BHC Act Affiliate " has the meaning assigned to the term " affiliate " in, and shall be interpreted in accordance with, 12 U. S. C. § 1841 (k), (b) " Covered Entity " means any of the following: (i) a " covered entity " as that term is defined in, and interpreted in accordance with, 12 C. F. R. § 252. 82 (b); (ii) a " covered bank " as that term is defined in, and interpreted in accordance with, 12 C. F. R. § 47. 3 (b); or (iii) a " covered FSI " as that term is defined in, and interpreted in accordance with, 12 C. F. R. § 382. 2 (b), (c) " Default Right " has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C. F. R. § § 252. 81, 47. 2 or 382. 1, as applicable, and (d) " U. S. Special Resolution Regime " means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd- Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder. [Remainder of Page Intentionally Blank] If the foregoing correctly sets forth the understanding between the Company and Cowen, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between the Company and Cowen. Very truly yours, COWEN AND COMPANY, LLC By: / s / Michael Murphy Name: Michael Murphy Title: Managing Director ACCEPTED as of the date first- above written: By: / s / David Domzalski Name: David Domzalski Title: President and Chief Executive Officer By: / s / Tyler Zeronda Name: Tyler Zeronda Title: Chief Financial Officer [Signature Page to Sales Agreement] SCHEDULE 1 FORM OF PLACEMENT NOTICE From: [ ] Cc: [ ] To: [ ] Subject: Cowen At the Market Offering — Placement Notice Pursuant to the terms and subject to the conditions contained in the Sales Agreement between VYNE Therapeutics Inc. (~~the " Company "), **as applicable** and Cowen and Company~~ , ~~LLC (" Cowen ") dated March 1, 2024 (the " Agreement "), I~~hereby ~~request on behalf of~~ **certifies and represents to** the Company that ~~Cowen sell up to [ ] shares of the~~ **he or** ~~Company' s common stock, par value $ 0. 0001 per share~~ -- **she has received** , **read** ~~at a minimum market price of $ _____ per share. Sales should begin on the date of this Notice~~ and **understands** ~~shall continue until [DATE] [all shares are sold]. SCHEDULE 2 Notice Parties Tyler Zeronda Chief Financial Officer Mutya Harsch Chief Legal Officer and General Counsel Michael J. Murphy Managing Director William Follis Managing Director SCHEDULE 3 Cowen shall be paid compensation equal to 3. 0 % of~~ the ~~gross proceeds from the sales of Common Stock pursuant to the terms of this Agreement. OFFICER CERTIFICATE The undersigned, the duly qualified and elected _____, of~~ VYNE Therapeutics Inc. **Insider Trading Policy** , ~~a Delaware corporation~~ **effective as of March 19, 2020, as amended from time to time** (~~" Company "), does hereby certify in such capacity and on behalf of the Company, pursuant to Section 7 (m) of the Sales Agreement dated March 1, 2024 (the " Sales Agreement ") between the Company and Cowen and Company, LLC, that to the best of the knowledge of the undersigned: (i) The representations and warranties of the Company in Section 6 of the Sales Agreement (A) to the extent such representations and warranties are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect, are true and correct on and as of the date hereof with the same force and effect as if expressly made on and as of the date hereof, except for those~~ -- **the** ~~representations and warranties that speak solely as of a specific date and which were true and correct as of such date, and (B) to the extent such representations and warranties are not subject to any qualifications or exceptions, are true and correct in all material respects as of the date hereof as if made on and as of the date hereof with the same force and effect as if expressly made on and as of the date hereof except for those~~

representations and warranties that speak solely as of a specific date and which were true and correct as of such date; and (ii) The Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied pursuant to the Sales Agreement at or prior to the date hereof. By: Date: Exhibit 10. 17 NON- EMPLOYEE DIRECTOR COMPENSATION POLICY Each member of the Board of Directors (the " Board ") who is not also serving as an employee of VYNE Therapeutics Inc. (the " Company ") (each such member, an " Eligible Director ") will receive the compensation described in this Non- Employee Director Compensation Policy (this " Policy ") for his or her Board service effective , **and agrees to comply, and has complied, with the Policy in its entirety (including, if you are a Restricted Person, obtaining pre- clearance of all transactions in the Company securities and securities of Restricted Companies,** as **such terms are defined in** of December 11, 2023 (the " Effective Date "). This Policy may be amended at any time in the sole discretion of the Board or the Compensation Committee of the Board. The terms and conditions of this Policy shall supersede any prior Non- Employee Director Compensation Policy of the Company. Annual Cash Compensation The annual cash compensation amount set forth below is payable in equal quarterly installments, payable in arrears following the completion of the fiscal quarter in which the service occurred. If an Eligible Director joins the Board or a committee of the Board at a time other than effective as of the first day of a fiscal quarter, each annual retainer set forth below will be pro- rated based on days served in the applicable fiscal year, with the pro- rated amount paid for the first fiscal quarter in which the Eligible Director provides the service, and regular full quarterly payments thereafter. All annual cash fees are vested upon payment. 1. Annual Board Service Retainer: a. All Eligible Directors: $ 40, 000 2. Annual Committee Member Service Retainer: a. Member of the Audit Committee: $ 10, 000 b. Member of the Compensation Committee: $ 7, 500 c. Member of the Nominating and Corporate Governance Committee: $ 5, 000 3. Annual Committee Chair Service Retainer (inclusive of Committee Member Service Retainer): **Executed on** _____ **, 20__ Name** a. Chair of the Audit Committee : _____ **Title** $ 20, 000 b. Chair of the Compensation Committee : _____ $ 15, 000 c. Chair of the Nominating and Corporate Governance Committee: $ 10, 000 4. Annual Lead Independent Director Service Retainer (in addition to Board Service Retainer): a. $ 25, 000 5. Annual Non- Executive Chair of the Board Service Retainer (in addition to Board Service Retainer): a. $ 40, 000 The equity compensation set forth below will be granted under the Company' s 2023 Equity Incentive Plan (the " Plan "). All stock options granted under this Policy will be nonstatutory stock options, with an exercise price per share equal to 100 % of the Fair Market Value (as defined in the Plan) of the Company' s underlying common stock (the " Common Stock ") on the date of grant, and have a term of ten years from the date of grant (subject to earlier termination in connection with a termination of service as provided in the Plan). In the event of a change of control transaction, any unvested portion of an equity award granted under this Policy will fully vest and become exercisable immediately prior to the effective date of such transaction, subject to the Eligible Director' s continuous service with the Company on the effective date of such transaction. 1. Initial Grant: Each Eligible Director who joins the Board will receive, upon appointment, options to purchase shares of Common Stock representing two times the annual grant described below. The options will vest and become exercisable as to one- third of the shares on each of the first three anniversaries of the date of grant, subject to the Eligible Director' s continued service through each applicable vesting date. 2. Annual Grant: Each Eligible Director who has served on the Board for at least six months will be granted options to purchase an amount of shares of Common Stock representing 0. 046 % of the shares of Common Stock outstanding (inclusive of shares of Common Stock in respect of outstanding pre- funded warrants) on the date of the Company' s annual meeting of stockholders. The options vest on the one- year anniversary of the date of grant. The aggregate value of all compensation granted or paid, as applicable, to any individual for service as an Eligible Director with respect to any fiscal year, including awards granted and cash fees paid by the Company to such Eligible Director for his or her service as an Eligible Director, will not exceed (i) $ 750, 000 in total value or (ii) in the event such Eligible Director is first appointed or elected to the Board during such fiscal year, $ 1, 000, 000 in total value, in each case calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes. For the avoidance of doubt, any compensation that is deferred shall be counted toward this limit for the year in which it was first earned, and not when paid or settled if later. Exhibit 21. 1 **Name (Jurisdiction)** The following is a list of subsidiaries of VYNE Therapeutics Inc. as of December 31, 2023: NameJurisdictionVYNE Pharmaceuticals Ltd. * IsraelVYNE Pharmaceuticals Inc. **(** Delaware **)** * The Company is in the process of liquidating and dissolving this subsidiary. Exhibit 23. 1 CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM We consent to the incorporation by reference in the Registration Statements on Form S- 3 (Nos. 333- **277609 and 333-** 275507 and 333- 255841) and Form S- 8 (Nos. 333- **277608, 333- 283940, 333-** 276027, 333- 263654, 333- 253883, 333- 237041, 333- 229975, and 333- 222758) of VYNE Therapeutics Inc., of our report dated March 1 **6** , 2024 **2025** , relating to the consolidated financial statements, which appears in this Annual Report on Form 10- K. / s / Baker Tilly US, LLP Exhibit 31. 1 CERTIFICATION OF CHIEF EXECUTIVE OFFICER I, David Domzalski, certify that: 1. I have reviewed this **annual** report on Form 10- K of VYNE Therapeutics Inc.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4. The registrant' s other certifying officer (s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a- 15 (e) and 15d- 15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15 (f) and 15d- 15 (f)) for the registrant and have: (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to

be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; (c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and (d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and 5. The registrant' s other certifying officer (s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions): (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting. Date: March ~~1~~ **6** , ~~2024By~~ **2025By** : / s / David DomzalskiDavid DomzalskiPrincipal Executive Officer Exhibit 31. 2 CERTIFICATION OF CHIEF FINANCIAL OFFICER I, Tyler Zeronda, certify that: Date: March ~~1~~ **6** , ~~2024By~~ **2025By** : / s / Tyler ZerondaTyler ZerondaPrincipal Financial Officer Exhibit 32. 1 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U. S. C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES- OXLEY ACT OF 2002 In connection with the Annual Report on Form 10- K of VYNE Therapeutics Inc. (the" Company") for the year ended December 31, ~~2023~~ **2024** as filed with the Securities and Exchange Commission (the" Report"), I, David Domzalski, President and Chief Executive Officer and principal executive officer, hereby certify as of the date hereof, solely for the purposes of 18 U. S. C. § 1350, as adopted pursuant to § 906 of the Sarbanes- Oxley Act of 2002, that, to the best of my knowledge: (1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. Date: March ~~1~~ **6** , ~~2024By~~ **2025By** : / s / David DomzalskiDavid DomzalskiChief Executive Officer This certification accompanies the Report pursuant to Section 906 of the Sarbanes- Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes- Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Exhibit 32. 2 CERTIFICATION OF CFO PURSUANT TO In connection with the Annual Report on Form 10- K of VYNE Therapeutics Inc. (the" Company") for the year ended December 31, ~~2023~~ **2024** as filed with the Securities and Exchange Commission (the" Report"), I, Tyler Zeronda, Chief Financial Officer, Treasurer and principal financial officer, hereby certify as of the date hereof, solely for purposes of 18 U. S. C. § 1350, as adopted pursuant to § 906 of the Sarbanes- Oxley Act of 2002, that, to the best of my knowledge: ~~NOVEMBER 8, 2023 1. Introduction The Compensation Committee (the " Compensation Committee ") of the Board of Directors (the " Board ") of VYNE Therapeutics Inc., a Delaware corporation (the " Company "), and the Board have determined that it is in the best interests of the Company and its stockholders to adopt this Incentive Compensation Recoupment Policy (this " Policy ") providing for the Company' s recoupment of Recoverable Incentive Compensation that is received by Covered Officers of the Company under certain circumstances. Certain capitalized terms used in this Policy have the meanings given to such terms in Section 3 below. This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D- 1 promulgated thereunder (" Rule 10D- 1 ") and Nasdaq Listing Rule 5608 (the " Listing Standards "). 2. Effective Date This Policy shall apply to all Incentive Compensation that is received by a Covered Officer on or after November 8, 2023 (the " Effective Date "). Incentive Compensation is deemed " received " in the Company' s fiscal period in which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of such Incentive Compensation occurs after the end of that period. 3. Definitions " Accounting Restatement " means an accounting restatement that the Company is required to prepare due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. " Accounting Restatement Date " means the earlier to occur of (a) the date that the Board, a committee of the Board authorized to take such action, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date that a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement. " Administrator " means the Compensation Committee or, in the absence of such committee, the Board. " Code " means the U. S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. " Covered Officer " means each current and former Executive Officer. " Exchange " means the Nasdaq Stock Market. " Exchange Act " means the U. S. Securities Exchange Act of 1934, as amended. " Executive Officer " means the Company' s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice- president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy- making function, or any other person who performs similar policy- making functions for the Company. Executive officers of the Company' s parent (s) or subsidiaries are deemed executive officers of the Company if they perform such policy- making functions for the Company. Policy- making function is not intended to include policy- making functions that are not significant. Identification of an executive officer for purposes of this Policy would include at a minimum executive officers identified pursuant to Item 401 (b) of Regulation S- K promulgated under the Exchange Act. " Financial Reporting Measures " means measures that are determined and presented in accordance with the accounting principles used in preparing the Company' s financial statements, and any measures derived wholly or in part from such measures, including Company stock price and total shareholder return (" TSR ").~~

A measure need not be presented in the Company' s financial statements or included in a filing with the SEC in order to be a Financial Reporting Measure. " Incentive Compensation " means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure. " Lookback Period " means the three completed fiscal years immediately preceding the Accounting Restatement Date, as well as any transition period (resulting from a change in the Company' s fiscal year) within or immediately following those three completed fiscal years (except that a transition period of at least nine months shall count as a completed fiscal year). Notwithstanding the foregoing, the Lookback Period shall not include fiscal years completed prior to the Effective Date. " Recoverable Incentive Compensation " means Incentive Compensation received by a Covered Officer during the Lookback Period that exceeds the amount of Incentive Compensation that would have been received had such amount been determined based on the Accounting Restatement, computed without regard to any taxes paid (i. e., on a gross basis without regarding to tax withholdings and other deductions). For any compensation plans or programs that take into account Incentive Compensation, the amount of Recoverable Incentive Compensation for purposes of this Policy shall include, without limitation, the amount contributed to any notional account based on Recoverable Incentive Compensation and any earnings to date on that notional amount. For any Incentive Compensation that is based on stock price or TSR, where the Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Administrator will determine the amount of Recoverable Incentive Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive Compensation was received. The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange in accordance with the Listing Standards. " SEC " means the U. S. Securities and Exchange Commission. 4. Recoupment (a) Applicability of Policy. This Policy applies to Incentive Compensation received by a Covered Officer (i) after beginning services as an Executive Officer, (ii) who served as an Executive Officer at any time during the performance period for such Incentive Compensation, (iii) while the Company had a class of securities listed on a national securities exchange or a national securities association, and (iv) during the Lookback Period. (b) Recoupment Generally. Pursuant to the provisions of this Policy, if there is an Accounting Restatement, the Company must reasonably promptly recoup the full amount of the Recoverable Incentive Compensation, unless the conditions of one or more subsections of Section 4 (c) of this Policy are met and the Compensation Committee, or, if such committee does not consist solely of independent directors, a majority of the independent directors serving on the Board, has made a determination that recoupment would be impracticable. Recoupment is required regardless of whether the Covered Officer engaged in any misconduct and regardless of fault, and the Company' s obligation to recoup Recoverable Incentive Compensation is not dependent on whether or when any restated financial statements are filed. (c) Impracticability of Recovery. Recoupment may be determined to be impracticable if, and only if: (i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount of the applicable Recoverable Incentive Compensation; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on expense of enforcement, the Company shall make a reasonable attempt to recover such Recoverable Incentive Compensation, document such reasonable attempt (s) to recover, and provide that documentation to the Exchange in accordance with the Listing Standards; or (ii) recoupment of the applicable Recoverable Incentive Compensation would likely cause an otherwise tax- qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Code Section 401 (a) (13) or Code Section 411 (a) and regulations thereunder. (d) Sources of Recoupment. To the extent permitted by applicable law, the Administrator shall, in its sole discretion, determine the timing and method for recouping Recoverable Incentive Compensation hereunder, provided that such recoupment is undertaken reasonably promptly. The Administrator may, in its discretion, seek recoupment from a Covered Officer from any of the following sources or a combination thereof, whether the applicable compensation was approved, awarded, granted, payable or paid to the Covered Officer prior to, on or after the Effective Date: (i) direct repayment of Recoverable Incentive Compensation previously paid to the Covered Officer; (ii) cancelling prior cash or equity- based awards (whether vested or unvested and whether paid or unpaid); (iii) cancelling or offsetting against any planned future cash or equity- based awards; (iv) forfeiture of deferred compensation, subject to compliance with Code Section 409A; and (v) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may effectuate recoupment under this Policy from any amount otherwise payable to the Covered Officer, including amounts payable to such individual under any otherwise applicable Company plan or program, e. g., base salary, bonuses or commissions and compensation previously deferred by the Covered Officer. The Administrator need not utilize the same method of recovery for all Covered Officers or with respect to all types of Recoverable Incentive Compensation. (e) No Indemnification of Covered Officers. Notwithstanding any indemnification agreement, applicable insurance policy or any other agreement or provision of the Company' s certificate of incorporation or bylaws to the contrary, no Covered Officer shall be entitled to indemnification or advancement of expenses in connection with any enforcement of this Policy by the Company, including paying or reimbursing such Covered Officer for insurance premiums to cover potential obligations to the Company under this Policy. (f) Indemnification of Administrator. Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy. 5. Administration Except as specifically set forth herein, this Policy shall be administered by the Administrator. The Administrator shall have full and final authority to make any and all determinations required under this Policy. Any determination by the Administrator with respect to this Policy shall be final, conclusive and binding on all interested parties and need not be uniform with respect to each individual covered by this Policy. In carrying out the administration of this Policy, the Administrator is authorized and directed to consult with the full Board or such other committees of the Board as may be necessary or appropriate as to matters within the scope of such other committee' s

~~responsibility and authority. Subject to applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions that the Administrator, in its sole discretion, deems necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee). 6. Severability If any provision of this Policy or the application of any such provision to a Covered Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable. 7. No Impairment of Other Remedies Nothing contained in this Policy, and no recoupment or recovery as contemplated herein, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Officer arising out of or resulting from any actions or omissions by the Covered Officer. This Policy does not preclude the Company from taking any other action to enforce a Covered Officer' s obligations to the Company, including, without limitation, termination of employment and / or institution of civil proceedings. This Policy is in addition to the requirements of Section 304 of the Sarbanes- Oxley Act of 2002 that are applicable to the Company' s Chief Executive Officer and Chief Financial Officer and to any other compensation recoupment policy and / or similar provisions in any employment, equity plan, equity award, or other individual agreement, to which the Company is a party or which the Company has adopted or may adopt and maintain from time to time. 8. Amendment; Termination The Administrator may amend, terminate or replace this Policy or any portion of this Policy at any time and from time to time in its sole discretion. The Administrator shall amend this Policy as it deems necessary to comply with applicable law or any Listing Standard. 9. Successors This Policy shall be binding and enforceable against all Covered Officers and, to the extent required by Rule 10D- 1 and / or the applicable Listing Standards, their beneficiaries, heirs, executors, administrators or other legal representatives. 10. Required Filings The Company shall make any disclosures and filings with respect to this Policy that are required by law, including as required by the SEC. * * * * *~~