UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2026

OR

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

For the transition period from to

Commission File Number: 001-40690

RxSIGHT, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**94-3268801** **(I.R.S. Employer Identification No.)**
100 Columbia **Aliso Viejo, CA** **(Address of principal executive offices)**	**92656** **(Zip Code)**

Registrant's telephone number, including area code: (949) 521-7830

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	RXST	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of October 29, 2026, the registrant had 41,929,222 shares of common stock, $0.001 par value per share, outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The following discussion and analysis should be read together with our condensed consolidated financial statements and the condensed notes to those statements included elsewhere in this report. This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, that are based on our management's beliefs and assumptions and on information currently available to our management. In this report, "we," "us" and "our" refer to RxSight, Inc., a Delaware corporation, and its consolidated subsidiaries.

Forward-looking statements include, but are not limited to, statements concerning the following:

- the sufficiency of our existing capital resources to fund our future operating expenses and capital expenditure requirements, including our expectation that we do not anticipate the need to raise additional capital or incur additional debt in order to reach profitability from operations, provided that we may opportunistically seek to raise capital under advantageous circumstances from time to time in order to support the expansion of our sales and operations in the United States ("U.S.") and internationally and to pursue other business opportunities;
- our belief that our current cash, cash equivalents and short-term investments through the date of filing of this report will be sufficient to fund our operations for at least the next 12 months;
- our expectation that revenue will increase in absolute dollars as we expand our sales organization and sales territories, add customers, expand the base of doctors that are trained to use our products, and expand awareness of our products with new and existing customers and as doctors perform more procedures using our products;
- our belief that selectively increasing the number of sales representatives, practice development personnel and clinical trainers will help facilitate further adoptions of our products among existing customer accounts as well as broaden awareness of our products to new accounts;
- our plan to grow our business primarily by driving increased utilization of our LAL through heightened awareness of the superior clinical outcomes that our RxSight system provides patients;
- our expectation that recent commercial realignment initiatives will position us for revenue growth;
- our plan to drive continued expansion by supporting existing practices and helping new adopters in achieving early success and sustained long-term growth;
- our estimates of expenses, ongoing losses, future revenue, capital requirements and our need for, or ability to obtain, additional financing;
- our plans for the growth of our business and our organization, including with respect to new geographic markets;
- potential cash payments, including milestone payments and royalties, that we may be entitled to receive pursuant to our collaboration with Alcon Pharmaceuticals, Ltd. ("Alcon") in connection with the development of the Collaboration Products (defined below);
- our belief that, over time, our adjustable lens solution can be used to address a broad range of cataract surgery patients, including those that would otherwise elect for a conventional cataract procedure today;
- our belief that our RxSight system offers doctors and patients a significantly more reliable approach that can consistently deliver optimal, fully customized visual outcomes with few compromises, ultimately driving broad adoption and establishing it as the standard of care for premium cataract procedures;
- our belief that there is an opportunity to gain market share in the premium intraocular lens ("IOL") market segment and also increase the penetration of premium IOLs in the broader market by converting doctors and patients currently electing for conventional cataract surgery;
- our belief that the premium cataract surgery market remains underpenetrated due to both doctors' reluctance to recommend premium IOL offerings to the full universe of eligible patients and patients' confusion in assessing the trade-offs associated with the wide range of commercially available premium IOL offerings;

- our belief that current non-adjustable premium IOL offerings often cannot deliver on patient expectations regarding their desire to see at near, intermediate and far distances without reliance on glasses and to avoid troubling side effects such as glare, halos and loss of contrast sensitivity;
- our intentions regarding investment in our business as we pursue growth;
- our plans and expected timelines related to our products, or developing new products, to address additional indications or otherwise;
- our ability to obtain, maintain and expand regulatory clearances for our products and any new products we create;
- our expected uses of our existing resources;
- our belief that our current manufacturing capacity is sufficient to meet our current expected demand for at least the next 12 months;
- our belief that we have sufficiently trained personnel and processes to manufacture our products;
- our belief that our existing facilities are adequate for our near-term needs, and that suitable additional or alternative space would be available in the future as required on commercially reasonable terms;
- our expectations regarding government and third-party payer coverage and reimbursement;
- our expectations regarding supply of materials and components for our products from our third-party suppliers, including single and sole source suppliers;
- our ability to obtain, maintain and enforce intellectual property protection for our products and protect our intellectual property rights;
- our plans to conduct further clinical trials and any expectations related to the timing or outcomes of such trials;
- our ability to comply with existing and future government laws, rules and regulations both in the U.S. and internationally;
- our ability to identify and develop new and planned products and/or acquire new products; and
- developments and projections relating to our competitors or our industry, including anticipated growth rates for the conventional and premium IOL markets.

Forward-looking statements include statements that are not historical facts and can be identified by terminology such as “may,” “will,” “should,” “could,” “would,” “expects,” “plans,” “intends,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “potential,” or “continue,” or the negative of such terms and other same terminology.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. We discuss these risks in greater detail in Part II, Item 1A, “Risk Factors”, elsewhere in this report. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

INDUSTRY, BUSINESS AND MARKET DATA

This report also contains estimates, projections and other information concerning our industry, our business, and market opportunity, including data regarding the estimated size of the market. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

This report contains references to trademarks and service marks belonging to other entities. Solely for convenience, trademarks and trade names referred to in this report may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that the applicable licensor will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of it by, any other companies.

Item 1. Financial Statements (Unaudited)

RxSIGHT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	September 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 66,717	$ 19,949
Short-term investments	187,966	208,179
Accounts receivable, net	16,998	23,383
Inventories	39,593	31,559
Prepaid and other current assets	3,530	4,389
Total current assets	314,804	287,459
Property and equipment, net	14,649	13,056
Operating leases right-of-use assets	9,246	9,959
Restricted cash	750	750
Other assets	969	590
Total assets	$ 340,418	$ 311,814
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 3,423	$ 5,296
Accrued expenses and other current liabilities	15,189	16,274
Deferred revenue, current	4,496	3,521
Lease liabilities	1,844	1,162
Refund liability	50,000	—
Total current liabilities	74,952	26,253
Long-term lease liabilities	8,476	9,878
Deferred revenue, noncurrent	2,079	—
Total liabilities	85,507	36,131
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Common stock, $0.001 par value, 900,000,000 shares authorized, 41,927,222 shares issued and outstanding as of September 30, 2026 and 41,242,005 shares issued and outstanding as of December 31, 2025	42	41
Preferred stock, $0.001 par value, 100,000,000 shares authorized, no shares issued and outstanding as of September 30, 2026 and December 31, 2025		—
Additional paid-in capital	960,213	936,628
Accumulated other comprehensive (loss) income	(100)	53
Accumulated deficit	(705,244)	(661,039)
Total stockholders' equity	254,911	275,683
Total liabilities and stockholders' equity	$ 340,418	$ 311,814

See accompanying notes to unaudited condensed consolidated financial statements.

RxSIGHT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE LOSS (UNAUDITED)
(In thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Product sales	$ 24,546	$ 30,340	$ 82,680	$ 101,871
License and collaboration revenue	40	—	6,540	—
Total revenue	24,586	30,340	89,220	101,871
Costs and expenses:				
Cost of sales	6,487	6,113	21,738	24,125
Selling, general and administrative	27,404	27,345	89,678	84,956
Research and development	9,213	9,060	27,922	29,644
Total costs and expenses	43,104	42,518	139,338	138,725
Loss from operations	(18,518)	(12,178)	(50,118)	(36,854)
Other income (expense), net:				
Interest expense	(3)	(4)	(9)	(14)
Interest and other income	2,325	2,376	6,043	7,137
Loss before income taxes	(16,196)	(9,806)	(44,084)	(29,731)
Income tax expense	28	10	122	61
Net loss	$ (16,224)	$ (9,816)	$ (44,206)	$ (29,792)
Other comprehensive (loss) gain:				
Unrealized (loss) gain on short-term investments	(59)	178	(184)	(123)
Foreign currency translation gain (loss)	18	(1)	31	18
Total other comprehensive (loss) gain	(41)	177	(153)	(105)
Comprehensive loss	$ (16,265)	$ (9,639)	$ (44,359)	$ (29,897)
Net loss per share:				
Basic & diluted	$ (0.39)	$ (0.24)	$ (1.07)	$ (0.73)
Weighted-average shares used in computing net loss per share:				
Attributable to common stock, basic & diluted	41,705,436	40,965,219	41,502,275	40,741,219

See accompanying notes to unaudited condensed consolidated financial statements.

RxSIGHT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(In thousands, except number of shares)

	Nine Months Ended September 30, 2026					
	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Shares	Amount				
Balance at December 31, 2025	41,242,005	$ 41	$ 936,628	$ 53	$ (661,039)	$ 275,683
Shares issued for the exercise of stock options and vesting of restricted stock units	204,323	—	144	—	—	144
Shares redeemed for employee tax withholdings	(62,208)	—	(473)	—	—	(473)
Stock-based compensation expense	—	—	7,945	—	—	7,945
Unrealized loss on short-term investments and cash equivalents, net of tax	—	—	—	(120)	—	(120)
Net loss	—	—	—	—	(15,884)	(15,884)
Balance at March 31, 2026	41,384,120	$ 41	$ 944,244	$ (67)	$ (676,923)	$ 267,295
Shares issued for the exercise of stock options and vesting of restricted stock units	98,505	—	52	—	—	52
Stock-based compensation expense	—	—	7,465	—	—	7,465
Shares issued for the employee stock purchase plan	102,756	—	617	—	—	617
Unrealized loss on short-term investments and cash equivalents, net of tax	—	—	—	(5)	—	(5)
Foreign currency translation adjustment	—	—	—	13	—	13
Net loss	—	—	—	—	(12,097)	(12,097)
Balance at June 30, 2026	41,585,381	$ 41	$ 952,378	$ (59)	$ (689,020)	$ 263,340
Shares issued for the exercise of stock options and vesting of restricted stock units	345,678	1	225	—	—	226
Shares redeemed for employee tax withholdings	(3,837)	—	(24)	—	—	(24)
Stock-based compensation expense	—	—	7,634	—	—	7,634
Unrealized loss on short-term investments and cash equivalents, net of tax	—	—	—	(59)	—	(59)
Foreign currency translation adjustment	—	—	—	18	—	18
Net loss	—	—	—	—	(16,224)	(16,224)
Balance at September 30, 2026	41,927,222	$ 42	$ 960,213	$ (100)	$ (705,244)	$ 254,911

See accompanying notes to unaudited condensed consolidated financial statements.

RxSIGHT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(In thousands, except number of shares)

	Nine Months Ended September 30, 2025					
	Common stock					
	Shares	Amount	Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total stockholders' equity
Balance at December 31, 2024	40,428,220	$ 40	$ 903,127	$ 166	$ (622,095)	$ 281,238
Shares issued for the exercise of stock options and vesting of restricted stock units	210,332	1	696	—	—	697
Shares redeemed for employee tax withholdings	(50,012)	—	(1,418)	—	—	(1,418)
Stock-based compensation expense	—	—	7,140	—	—	7,140
Unrealized loss on short-term investments and cash equivalents, net of tax	—	—	—	(157)	—	(157)
Foreign currency translation adjustment	—	—	—	6	—	6
Net loss	—	—	—	—	(8,190)	(8,190)
Balance at March 31, 2025	40,588,540	$ 41	$ 909,545	$ 15	$ (630,285)	$ 279,316
Shares issued for the exercise of stock options and vesting of restricted stock units	268,485	—	1,362	—	—	1,362
Stock-based compensation expense	—	—	8,547	—	—	8,547
Shares issued for the employee stock purchase plan	56,355	—	705	—	—	705
Unrealized loss on short-term investments and cash equivalents, net of tax	—	—	—	(145)	—	(145)
Foreign currency translation adjustment	—	—	—	13	—	13
Net loss	—	—	—	—	(11,786)	(11,786)
Balance at June 30, 2025	40,913,380	$ 41	$ 920,159	$ (117)	$ (642,071)	$ 278,012
Shares issued for the exercise of stock options and vesting of restricted stock units	241,943	—	131	—	—	131
Shares redeemed for employee tax withholdings	(73,773)	—	(642)	—	—	(642)
Stock-based compensation expense	-	—	8,108	—	—	8,108
Unrealized gain on short-term investments and cash equivalents, net of tax	-	—	—	178	—	178
Foreign currency translation adjustment	-	—	—	(1)	—	(1)
Net loss	-	—	—	—	(9,816)	(9,816)
Balance at September 30, 2025	41,081,550	$ 41	$ 927,756	$ 60	$ (651,887)	$ 275,970

See accompanying notes to unaudited condensed consolidated financial statements.

RxSIGHT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Operating Activities:		
Net loss	$ (44,206)	$ (29,792)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,762	2,415
Provision for bad debts	94	32
Amortization of discount on short-term investments	(5,305)	(6,685)
Stock-based compensation	23,044	23,795
Provision for excess and obsolete inventory	3,011	1,316
Change in operating assets and liabilities:		
Accounts receivable	6,307	5,867
Inventories	(11,307)	(8,257)
Prepaid and other assets	1,538	2,064
Accounts payable	(2,077)	(1,577)
Refund liability - collaboration	50,000	—
Deferred revenue - collaboration	3,460	—
Accrued expenses and other liabilities	(2,534)	(3,573)
Net cash provided by (used in) operating activities	24,787	(14,395)
Investing Activities:		
Purchases of property and equipment	(3,889)	(2,693)
Maturities of short-term investments	332,000	170,000
Purchases of short-term investments	(306,665)	(140,804)
Net cash provided by investing activities	21,446	26,503
Financing Activities:		
Proceeds from issuance of common stock	1,040	2,895
Payments for employee taxes related to stock compensation	(498)	(2,060)
Principal payments on finance lease liabilities	(21)	(35)
Net cash provided by financing activities	521	800
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	14	18
Net increase in cash, cash equivalents and restricted cash	46,768	12,926
Cash, cash equivalents and restricted cash - beginning of period	20,699	17,456
Cash, cash equivalents and restricted cash - end of period	$ 67,467	$ 30,382
Supplemental disclosure of cash flow information:		
Operating cash flows from operating leases	$ 2,432	$ 1,943
Cash paid for income taxes	$ 144	$ 70
Non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for lease obligations:		
Operating lease	$ 345	$ —
Lease obligations recorded for right-of-use assets:		
Operating lease	$ 345	$ —
Acquisition of property and equipment included in accounts payable and accrued expenses and accrued liabilities	$ 217	$ 135

See accompanying notes to unaudited condensed consolidated financial statements.

RxSIGHT, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Organization and Basis of Presentation

Description of Business

RxSight®, Inc. (the "Company") is a commercial stage technology company dedicated to providing high-quality customized vision to patients following cataract surgery. The Company's proprietary RxSight® Light Adjustable Lens system ("RxSight system") is the first and only commercially available premium cataract technology that enables doctors to customize and optimize visual acuity for patients after surgery. The RxSight system is comprised of the Company's RxSight Light Adjustable Lens® (LAL®/LAL+®, collectively the "LAL"), RxSight Light Delivery Device ("LDD™") and related accessories. The LAL is a premium intraocular lens ("IOL") made from the proprietary silicone-based photosensitive material that undergoes controlled changes in refractive power when exposed to specific ultraviolet ("UV") light patterns generated by the LDD. The Company's products are approved by the U.S. Food and Drug Administration ("FDA") primarily for sale in the U.S. and have regulatory approval in several foreign countries. The Company began marketing its products in 2019.

The Company is a Delaware corporation headquartered in Aliso Viejo, California with two wholly owned subsidiaries located in Hong Kong and Amsterdam, Netherlands. RxSight Netherlands has a registered branch in the United Kingdom and a wholly-owned subsidiary located in Germany. The Company is engaged in the research and development, manufacture and sale of light adjustable intraocular lenses used in cataract surgery along with capital equipment used with the lenses.

The accompanying unaudited condensed consolidated financial statements include the accounts of RxSight, Inc. and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Collaboration Agreement with Alcon Pharmaceuticals, Ltd.

On June 30, 2026 (the "Effective Date"), the Company entered into a License, Collaboration and Development Agreement (the "RxSight-Alcon Collaboration Agreement") with Alcon Pharmaceuticals, Ltd. ("Alcon") pursuant to which the Company will collaborate with Alcon to develop and commercialize light-adjustable versions of certain Alcon simultaneous vision intraocular lenses ("SVIOLs") by incorporating RxSight Light Adjustable Technology™ (the "Collaboration Products"). The Company granted Alcon a non-exclusive, worldwide, royalty-bearing license under its patents, know-how and trademarks that relate to the LAL technology or are otherwise necessary or reasonably useful to exploit the Collaboration Products for Alcon to commercialize the Collaboration Products: and, if applicable, to develop and manufacture the Collaboration Products. Alcon granted the Company a non-exclusive, worldwide, fully paid-up, royalty-free license under patents and know-how controlled by Alcon that relate to Alcon's existing SVIOLs or are otherwise necessary or reasonably useful to develop and manufacture the Collaboration Products, for the Company to develop and manufacture, and upon the occurrence of certain triggering events, to conduct co-promotion activities for, the Collaboration Products.

Under the RxSight-Alcon Collaboration Agreement, Alcon paid the Company a $60 million upfront cash payment. Upon the completion of feasibility activities and achievement of specified technical criteria for the first Collaboration Product, Alcon has the right, at its option, to make a one-time $70 million milestone payment (the "Feasibility Milestone Payment") to continue the RxSight-Alcon Collaboration Agreement. If the RxSight-Alcon Collaboration Agreement continues, the Company will be obligated to conduct further development and regulatory activities to obtain regulatory approval of the first Collaboration Product in the U.S., and Alcon is obligated to make a milestone payment of $30 million upon first submission to the FDA for regulatory approval of the first Collaboration Product. Upon regulatory approval of the first Collaboration Product, Alcon has the right, at its option, to make an additional one-time $40 million milestone payment (the "Approval Milestone Payment") to continue the RxSight-Alcon Collaboration Agreement. In addition, on a Collaboration Product-by-Collaboration Product and country-by-country basis, Alcon will pay the Company royalties of 30% on net sales of all Collaboration Products, subject to certain pre-payment provisions, minimum royalty payments, and customary royalty adjustments. Alcon's obligation to pay royalties will continue until the termination or expiration of the RxSight-Alcon Collaboration Agreement.

Unless terminated earlier, the RxSight-Alcon Collaboration Agreement will continue until the tenth anniversary of regulatory approval for the first Collaboration Product. The RxSight-Alcon Collaboration Agreement will

terminate if Alcon elects to not pay the Feasibility Milestone Payment or the Approval Milestone Payment, but in either case, under certain conditions, the Company is entitled to certain reversionary rights with respect to the Collaboration Products. Either party may terminate the RxSight-Alcon Collaboration Agreement for material safety reasons, the other party's insolvency or violation of applicable law, or material breach that remains uncured after a notice period.

Basis of Presentation and Principles of Consolidation

The Company's condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and pursuant to Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission ("SEC"). Accordingly, the accompanying unaudited condensed consolidated financial statements do not include all of the information and notes required by GAAP for complete financial statements. The unaudited interim financial statements reflect all adjustments which, in the opinion of management, are necessary for a fair statement of the results for the periods presented. All such adjustments are of a normal and recurring nature. The December 31, 2025 balance sheet data was derived from audited financial statements; however, the accompanying notes to the condensed consolidated financial statements do not include all of the annual disclosures required under GAAP and should be read in conjunction with the audited consolidated financial statements included in the Company's 2025 Annual Report on Form 10-K filed with the SEC on February 25, 2026. The operating results presented in these unaudited condensed consolidated financial statements are not necessarily indicative of the results that may be expected for any future periods.

Operating Segments

The Company determined that it operates and manages its business (including its non-U.S. subsidiaries) in one reportable segment: the research and development, manufacture and sale of light adjustable lenses and related capital equipment. The Company determined its operating segment on the same basis that it uses to evaluate its performance internally. The Company's chief operating decision-maker ("CODM"), its Chief Executive Officer, reviews its consolidated operating results for the purpose of allocating resources and evaluating financial performance. Asset information provided to the CODM is consistent with those reported on the Consolidated Balance Sheets and is primarily attributable to the U.S. The key measure of segment profit and loss that the CODM uses to allocate resources and assess performance is the Company's consolidated net loss. The table below shows a reconciliation of the Company's net loss, including the significant expense categories regularly provided to and reviewed by the CODM, as computed under U.S. GAAP to the Company's total consolidated net loss in the Condensed Consolidated Statements of Operations:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Product sales	$ 24,546	$ 30,340	$ 82,680	$ 101,871
License and collaboration revenue	40	—	6,540	—
Total revenue	24,586	30,340	89,220	101,871
Costs and expenses:				
Cost of sales	6,487	6,113	21,738	24,125
Commercial	17,058	20,269	57,141	63,054
General and administrative	10,346	7,076	32,537	21,902
Research and development	7,700	7,783	23,064	25,704
Clinical & regulatory	1,513	1,277	4,858	3,940
Total costs and expenses	43,104	42,518	139,338	138,725
Loss from operations	(18,518)	(12,178)	(50,118)	(36,854)
Other income (expense), net:				
Interest expense	(3)	(4)	(9)	(14)
Interest and other income	2,325	2,376	6,043	7,137
Loss before income taxes	(16,196)	(9,806)	(44,084)	(29,731)
Income tax expense	28	10	122	61
Net loss	$ (16,224)	$ (9,816)	$ (44,206)	$ (29,792)

Liquidity

As of September 30, 2026 and December 31, 2025 the Company had cash, cash equivalents and short-term investments of $254.7 million and $228.1 million, respectively.

The Company began generating revenue from its principal operations in 2019. The Company has experienced recurring net losses and negative cash flows from operating activities since its inception. For the three months ended September 30, 2026 and 2025, the Company incurred losses from operations of $18.5 million and $12.2 million, respectively. For the nine months ended September 30, 2026 and 2025, the Company incurred losses from operations of $50.1 million and $36.9 million, respectively. Based on the Company's anticipated sales growth and collaboration efforts in relation to the anticipated costs associated with, among other things, its continuing research and development activities and the expansion of its sales and marketing activities, the Company expects to continue to incur net operating losses into the foreseeable future. Successful transition to attaining profitable operations is dependent upon expanding market acceptance of the Company's products and achieving a level of revenues adequate to support the Company's cost structure.

The accompanying condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company believes that existing cash resources will be sufficient to meet projected operating requirements for at least 12 months from the date of issuance of the accompanying consolidated financial statements. The Company plans to continue to fund its losses from operations using its cash, cash equivalents and short-term investments as of September 30, 2026 and meet its future capital funding needs, as needed, through equity or debt financings, other third-party funding, collaborations, strategic alliances and licensing arrangements or a combination of these. There can be no assurance that the Company will be able to obtain additional financing on acceptable terms, or at all. If the Company is not able to secure adequate additional funding, the Company may be forced to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible and/or suspend or curtail planned programs. Any of these actions could materially harm the Company's business, results of operations and future prospects.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make informed estimates, judgments and assumptions that affect the reported amounts in the condensed consolidated financial statements and disclosures in the accompanying notes as of the date of the accompanying condensed consolidated financial statements. On an on-going basis, management evaluates the most critical estimates and assumptions for continued reasonableness. These estimates and assumptions involve judgments with respect to numerous factors that are difficult to predict. Actual results may differ materially from the estimates used in the preparation of the accompanying condensed consolidated financial statements under different assumptions or conditions.

The Company's condensed consolidated financial statements reflect the Company's estimates of the impact of the macroeconomic environment, including the impact of inflation, varying interest rates and foreign exchange rate fluctuations. The duration and the scope of these conditions cannot be predicted; therefore, the extent to which these conditions will directly or indirectly impact the Company's business, results of operations and financial condition, is uncertain. The Company is not aware of any specific event or circumstance that would require an update to its estimates, judgments and assumptions or a revision of the carrying value of the Company's assets or liabilities as of the date of this filing.

Significant Accounting Policies

During the second quarter of 2026, the Company entered into a collaboration arrangement. The Company has updated its revenue recognition policy to include the accounting for collaboration arrangements. Additionally, during the second quarter of 2026, the Company began accounting for performance-based restricted stock units. The Company has updated its stock-based compensation policy to include the accounting for performance-based awards. For all other significant accounting policies, there have been no significant changes during the nine months ended September 30, 2026, as compared to the significant accounting policies described in Note 2 of the "Notes to Consolidated Financial Statements" in the Company's audited consolidated financial statements included in its Annual Report on Form 10-K filed with the SEC on February 25, 2026.

Cash Equivalents

Cash equivalents consist of investments in money market accounts. The Company considers all highly liquid investments with original maturities of three months or less at the date of purchase that can be liquidated without prior notice or penalty to be cash equivalents. Cash equivalents are recorded at face value or cost, which approximates fair market value.

Short-term Investments

Short-term investments are classified based on the maturity date of the related securities. Based on the nature of the assets, the Company's short-term investments, which are government securities, are classified as available-for-sale and are recorded at their estimated fair value as determined by prices for identical or similar securities at the balance sheet date. The Company's short-term investments consist of Level 1 financial instruments in the fair value hierarchy. Unrealized gains and losses are recorded as a component of Other Comprehensive Loss within Stockholders' Equity on the Condensed Consolidated Balance Sheets. Realized gains and losses are included as other income (expense) in the accompanying Condensed Consolidated Statements of Operations and Comprehensive Loss. The cost basis for realized gains and losses on available-for-sale securities is determined on a specific identification basis. Management determines the appropriate classification of its investments at the time of purchase and reevaluates such determination at each balance sheet date. The Company periodically reviews its investments for unrealized losses other than credit losses and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. In determining whether the carrying value is recoverable, management considers the following factors:

- whether the investment has been in a continuous loss position for over 12 months;
- the duration to maturity of investments;
- intention and ability to hold the investment to maturity and if it is not more likely than not that the Company will be required to sell the investment before recovery of the amortized cost basis;
- the credit rating, financial condition and near-term prospects of the issuer; and
- the type of investments made.

The Company had $129,000 of net unrealized losses and $53,000 of net unrealized gains related to short-term investments as of September 30, 2026 and December 31, 2025, respectively.

Concentration of Credit Risk and Other Risks and Uncertainties

Financial instruments which potentially subject the Company to concentration of credit risk consist primarily of cash, cash equivalents, short-term investments and accounts receivable. The Company's policy is to invest cash in institutional money market funds and marketable securities of the U.S. government to limit the amount of credit exposure. The Company currently maintains a portfolio of cash equivalents and short-term investments in money market funds and U.S. treasury bills. A portion of the Company's operating cash is held in accounts in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits; however, the Company has established guidelines regarding diversification of its investments and their maturities, which are designed to maintain principal and maximize liquidity. The Company has not experienced material losses on cash equivalents and short-term investments.

The Company's products require approval from the FDA and foreign regulatory agencies before commercial sales can commence. There can be no assurance that the Company's products will receive any of these required approvals. The denial or delay of such approvals may have a material adverse impact on the Company's business and may impact business in the future. In addition, after approval by the FDA, there is still an ongoing risk of adverse events that did not appear during the device approval process.

The Company is subject to risks common to companies in the medical device industry, including, but not limited to, new technological innovations, clinical development risk, establishment of appropriate commercial partnerships, protection of proprietary technology, compliance with government and environmental regulations, uncertainty of market acceptance of the Company's products, product liability and the need to obtain additional financing.

The Company is subject to risks from changes in U.S. trade policy. The imposition of retaliatory or new tariffs or increases in existing tariffs on goods imported from countries where we source our products could result in increased material costs for our products. The Company is also subject to the risks related to global lead times, particularly in Europe and Asia, leading to a supply interruption from the Company's suppliers. In addition, the Company is currently experiencing inflation and longer lead times and limited availability in its supply chain for certain components and has continued exposure to price and supply risk related to anticipated purchases of certain commodities, materials and products used in its business.

Accounts Receivable, net

Accounts receivable pertain to contracts with customers who are granted credit by the Company in the ordinary course of business and are presented net of allowances for credit losses. The Company has a diverse customer base. As of September 30, 2026, the Company had one customer who individually accounted for greater than 10% of trade accounts receivable. As of December 31, 2025, the Company did not have any customers who individually accounted for greater than 10% of accounts receivable. The Company maintains an allowance for credit losses resulting from the inability of its customers, including ambulatory surgery centers, to make required payments. The allowance for credit losses is calculated quarterly based on an aging analysis of receivables by due date and incorporates assessments of counterparty-specific risk, current economic conditions, and reasonable and supportable forecasted conditions. If a receivable is deemed uncollectible after collection efforts have been exhausted, it is written off against the allowance for credit losses. The Company closely monitors the credit quality of its customers and has historically had minimal write-offs of receivables or uncollected receivables. The Company's allowance for credit losses was $0.2 million as of September 30, 2026 and $0.1 million as of December 31, 2025. The Company does not generally require collateral or other security on receivables.

Fair Value of Financial Instruments

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Fair value is measured as the price that would be received from the sale of an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1—Observable inputs such as unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2—Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability, for substantially the full term of the asset or liability, through correlation with market data. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs to valuation models or other pricing methodologies that do not require significant judgment because the inputs used in the model, such as interest rates and volatility, can be corroborated by readily observable market data.

Level 3—One or more significant inputs that are unobservable and supported by little or no market activity and reflect the use of significant management judgment and assumptions. Level 3 assets and liabilities include those whose fair value measurements are determined using pricing models, discounted cash flow methodologies or similar valuation techniques and significant management judgment or estimation. These include the Black-Scholes option-pricing model and Monte Carlo simulation model which use inputs such as expected volatility, risk-free interest rate and expected term to determine fair market valuation.

Assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurements. The Company reviews the fair value hierarchy classification at each reporting date. Changes in the ability to observe valuation inputs may result in a reclassification of levels for certain assets or liabilities within the fair value hierarchy. The Company did not have any transfers of assets and liabilities between the levels of the fair value measurement hierarchy during the periods presented.

The Company’s financial instruments consist principally of cash, cash equivalents, short-term investments, accounts receivable, accounts payable and operating lease liabilities. Cash, cash equivalents, accounts receivable and accounts payable are carried at their estimated fair value because of the short-term nature of these assets and

liabilities. The Company’s short-term investments in government securities are carried at fair value, determined based on publicly available quoted market prices for identical securities at the measurement date.

Inventories

Inventories consist of raw materials, work-in-process and finished goods. Raw materials are comprised of chemicals and parts used in the production of the Company's lenses, cartridges, and LDDs. Finished goods are comprised of lenses, cartridges, accessories and LDDs. Inventories are valued at the lower of cost or net realizable value. Cost is computed using standard cost, which approximates actual cost on a first-in, first-out basis. The carrying value of inventories is reviewed for potential impairment whenever indicators suggest that the cost of inventories exceeds the net realizable value and management adjusts the inventories to its net realizable value. The cost of finished goods and work-in-process is comprised of raw materials, direct labor, other direct costs and related production overhead to the extent that these costs do not exceed the net realizable value of the goods produced. The Company periodically reviews inventories for potential impairment, estimated losses from obsolescence, material expirations or unmarketable inventories or excess inventories and writes down the cost of inventories to net realizable value at the time such determinations are made. Net realizable value is determined using the estimated selling price, in the ordinary course of business, less estimated costs to complete and dispose.

Leases

Lease right-of-use assets represent the Company’s right to use an underlying asset for the lease term, and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized when the Company takes possession of the leased property based on the present value of lease payments over the lease term. The Company estimates the incremental borrowing rate based upon the cost of its own debt financing, current market interest rates and quoted offerings or the rate implicit in the lease. Operating lease right-of-use assets also include any lease payments made at or before lease commencement and exclude any lease incentives received. The lease terms used to calculate the right-of-use asset and related lease liability include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Rent expense on noncancelable leases containing known future scheduled rent increases is recorded on a straight-line basis over the term of the respective leases beginning on the lease commencement date. The difference between rent expense and rent paid is accounted for as a component of operating lease right-of-use assets on the accompanying condensed consolidated balance sheets. Landlord improvement allowances and other such lease incentives are recorded as property and equipment and as reduction of the right-of-use leased assets and are amortized on a straight-line basis as a reduction to operating lease costs. Leases with an initial term of 12 months or less are expensed as incurred and are not recorded as right-of-use assets on the condensed consolidated balance sheets.

Certain of the Company's LDD placements are accounted for as a sales-type lease. A net investment in sales-type lease is recognized if a lease meets specific criteria under Accounting Standards Codification (“ASC”) 842 at its inception. Upon commencement of the lease, the book value of the leased asset is de-recognized and a net investment in sales-type lease is recognized within other assets in the Company's Condensed Consolidated Balance Sheets based on the present value of fixed payments under the contract and the residual value of the underlying asset, discounted at the rate implicit in the lease. The Company recognized the difference between the book value of the LDD and the net investment in the lease in sales in its Condensed Consolidated Statement of Operations. Interest income on our net investment in sales-type leases is recognized over the lease term.

Impairment of Long-lived Assets

All long-lived assets, including right-of-use assets, are reviewed for impairment whenever circumstances such as events or changes in the business indicate that an asset or asset group’s carrying value may not be recoverable based on undiscounted future operating cash flows to be derived from their use. Factors that are considered important that could trigger an impairment review include a current period operating or cash flow loss or a history of operating or cash flow losses and a projection or forecast that demonstrates continuing losses or insufficient income associated with the use of a long-lived asset or asset group. Other factors include a significant change in the manner of the use of the asset or a significant negative industry or economic trend. This evaluation is performed based on estimated undiscounted future cash flows from operating activities compared with the carrying value of the related assets. If the undiscounted future cash flows are less than the carrying value, an impairment loss is recognized, measured by the difference between the carrying value and the estimated fair value of the assets. Fair value is determined

primarily using the discounted cash flows expected to be generated from the use of assets. Significant management judgment is required in the forecast of future operating results that are used in the preparation of expected cash flows.

During the three months ended September 30, 2026, the Company identified indicators of potential impairment of its long-lived assets, including a sustained decline in its market capitalization and lower LDD sales volumes. The Company performed a recoverability test of its long-lived assets, which represent a single asset group, and concluded that the carrying amount was recoverable. As a result, no impairment was recorded. This assessment required considerable judgment.

Net Loss per Share

Basic net loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average shares of common stock outstanding for the period, without consideration for potentially dilutive securities. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average shares of common stock and potentially dilutive securities outstanding for the period determined using the treasury-stock and if-converted methods. Diluted net loss per share is calculated by dividing net loss by the weighted-average number of shares of common stock and potential dilutive securities outstanding during the period.

The following outstanding potentially dilutive securities were excluded from the calculation of diluted net loss per share attributable to common stockholders because their impact under the treasury stock method was anti-dilutive for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Stock options issued and outstanding (all plans)	65,617	226,597	85,769	2,993,517
Restricted stock units issued (all plans)	2,981,083	69,984	1,479,023	389,759
Stock issuable in offering period under the 2021 Employee Stock Purchase Plan	121,974	93,501	122,739	191,037

Revenue Recognition

Product Sales

The Company's product revenue is generated from the sale of LALs used in cataract surgery along with a specifically designed machine for delivering light to the eye, the LDD, to adjust the lens post-surgery, as needed. Revenue is recognized from sales of products in the U.S. and several foreign countries. Customers are primarily comprised of ambulatory surgery centers, hospitals, and physician private practices in the U.S. and distributors internationally.

The Company recognizes revenue when promised goods or services are transferred to customers at a transaction price that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. Specifically, the Company applies the following five steps to recognize revenue: (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 a performance obligation. The Company applies the five-step model to contracts when it is probable that it will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer. At contract inception, the Company assesses the goods promised within each customer contract to determine the individual deliverables in its product offerings as separate performance obligations and assesses whether each promised good or service is distinct. The transaction price is determined based on the consideration expected to be received, based either on the stated value in contractual arrangements or the estimated cash to be collected in non-contracted arrangements. The Company recognizes revenue as the amount of the transaction price that is allocated to the respective performance obligation when, or as, the performance obligation is satisfied, considering whether this occurs at a point in time or over time. The Company elected to account for shipping costs as fulfillment costs rather than a promised service and excludes from revenue any taxes collected from customers that are remitted to government authorities.

The Company's LDD sales contracts contain multiple performance obligations bundled for one transaction price, with all obligations generally satisfied within one year. For these bundled arrangements, the Company accounts for individual products and services as separate performance obligations if they are distinct, that is, if a product or service is separately identifiable from other items in the bundled package, and if a customer can benefit from it on its own or with other resources that are readily available to the customer. The Company's LDD sales contracts include a combination of the following performance obligations: (i) LDD capital asset and related components, (ii) training and (iii) device service (initial year). Each of the performance obligations is considered distinct. The LDD capital asset is distinct because the customer can benefit from it together with other resources that are readily available to the customer. Training on the use of the machine is offered as a distinct activity after installation of the LDD to enhance the customer's ability to utilize the machine by having an industry professional provide best practices and customize training to the specific needs of the customer. Each LDD comes with a twelve-month manufacturer's warranty (service-type) that includes preventative maintenance, unscheduled service (labor and parts) and software updates. After the first year, service contracts can be purchased separately on a standalone basis. The Company recognizes revenue as performance obligations are satisfied by transferring control of the product or service to a customer. Revenue for the LDD capital asset is recognized at a point in time either at installation and customer acceptance or upon shipment to our international distributors. Revenue for training is also recorded at a point in time, generally 60 days after installation. Revenue for the device service is recognized ratably over time after installation, generally 12-36 months. The Company has determined that the transaction price is the invoice price, net of adjustments, if any. The allocation to the separate performance obligations is based upon the relative standalone selling price. Standalone selling prices are based on observable prices at which the Company separately sells the products or services. The Company estimates the standalone selling price using the market assessment approach considering market conditions and entity-specific factors including, but not limited to, features and functionality of the products and services, geographies, type of customer and market conditions. The Company regularly reviews standalone selling prices and updates them as necessary.

LALs are generally held at customer sites on consignment. The single performance obligation is satisfied, and revenue from sales is recognized for LALs upon customer notification that the LALs have been implanted in a patient or when title transfers to the distributor. For the three and nine months ended September 30, 2026 and 2025, credits related to returns and rebates on list prices were not significant.

The Company has adopted the practical expedient permitting the direct expensing of costs incurred to obtain contracts where the amortization of such costs would occur over one year or less, and it applied to substantially all the Company's contracts. Revenue for service agreements is recognized ratably over the term of each contract.

Collaboration Revenue

The Company accounts for the RxSight-Alcon Collaboration Agreement under ASC Topic 606 and ASC Topic 808. The Company identified the following performance obligations under the agreement; (a) a license of the Company's intellectual property; (b) Phase I Feasibility and Phase II Regulatory Activities required to achieve project milestones; and (c) material rights related to the commercial supply of Collaboration Products. Milestone payments that are not within the Company's control, such as approvals from regulators or where attainment of the specified event is dependent on the development activities of a third party, are not considered probable of being achieved until those approvals are received or the specified event occurs. Revenue is recognized when the underlying performance obligation has been met. The consideration allocated to each performance obligation is recognized as revenue when control is transferred for the related goods or services. For performance obligations which consist of licenses or other promises, the Company utilizes judgment to assess the nature of the performance obligation to determine whether the performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

At inception, the transaction price was $10.0 million, consisting of the non-refundable portion of the $60.0 million upfront payment. The remaining $50.0 million of the upfront payment was considered refundable if the agreement was terminated within the first 120 days of the effective date. On October 28, 2026, the 120-day period lapsed, see Note 9, Subsequent Events, for further information. The transaction price excludes (i) potential milestone payments and (ii) sales- and usage-based royalties. The milestone payments represent variable consideration that the Company has fully constrained under ASC 606, because achievement of the underlying feasibility and regulatory milestones is contingent on factors outside the Company's control and it is not probable that a significant reversal of cumulative revenue would not occur. The royalties are excluded under the sales- and usage-based royalty exception

in ASC 606 and will be recognized as the related sales or usage occur. The Company will reassess the estimate of constrained consideration at each reporting date, and amounts will be included in the transaction price when it becomes probable that a significant revenue reversal will not occur.

The Company allocated the $10.0 million transaction price to the identified performance obligations based on their relative standalone selling prices during the second quarter of 2026. The remaining $50.0 million of the upfront payment will be allocated similarly in the fourth quarter of 2026. The standalone selling price of the license was estimated using a discounted cash flow analysis reflecting forecasted revenues, development timelines and expenses, discount rates, and probabilities of feasibility and regulatory success. The standalone selling price of the Feasibility and Regulatory Activities was estimated based on forecasted costs over the expected development period.

- *Licensed Intellectual Property* — For licensed intellectual property that is distinct from other performance obligations, the Company recognizes the upfront license fee and any milestone payments allocated to the license when the license is transferred and the licensee is able to benefit from it. The Company determined that Alcon could benefit from the license at the time it was granted; accordingly, the related performance obligation was satisfied at a point in time.
- *Project Activities* — At inception of an arrangement that includes milestone-based payments, the Company evaluates whether each milestone is probable of being achieved and estimates the amount to include in the transaction price using the most-likely-amount method, subject to the constraint. Because achievement of the milestones is not within the Company's control, the Company recognizes the associated consideration when the milestone is probable of being achieved. For performance obligations that are satisfied over time, the Company recognizes revenue based on progress made towards completion of the project milestone. Progress is estimated using the input method under ASC 606 and is measured based on actual costs incurred relative to the total estimated project costs for that milestone. The Company expects to satisfy the feasibility and regulatory performance obligations over an estimated development period of several years, and the material rights will be satisfied upon exercise or expiration.
- *Material Rights to Product Supply* — When a contract grants the customer an option to acquire additional goods or services at a price other than their standalone selling price, the Company assesses whether the option represents a material right. Material rights are accounted for as separate performance obligations, with revenue recognized when the right is exercised or expires.

In the second quarter of 2026, the Company recognized $6.5 million in license and collaboration revenue, which represented the portion of the $10.0 million nonrefundable upfront payment that was allocated to the license of intellectual property upon commencement of the RxSight-Alcon Collaboration Agreement. The remaining $3.5 million was allocated to the other performance obligations and recorded as deferred revenue. The remaining $50.0 million was recorded as a refund liability in the condensed consolidated balance sheet and was not included in the transaction price. See Note 9 for further information about the $50.0 million upfront payment.

For the three and nine months ended September 30, 2026 and 2025, revenue from contracts with customers consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Product sales:				
LDD (including training)	$ 427	$ 3,174	$ 4,119	$ 17,698
LAL	22,768	25,693	74,302	79,886
Service warranty, service contracts, and accessories	1,351	1,473	4,259	4,287
Total product sales	24,546	30,340	82,680	101,871
License and collaboration revenue	40	—	6,540	—
Total revenue	$ 24,586	$ 30,340	$ 89,220	$ 101,871

For the three and nine months ended September 30, 2026 and 2025, the Company did not have any customers who individually accounted for greater than 10% of product revenue. Collaboration revenue is attributable to one customer.

The following table represents the contract liabilities from sales activity for the nine months ended September 30, 2026 and 2025, respectively (in thousands):

	Nine Months Ended September 30,	
	2026	2025
Deferred revenue from product sales		
Balance at beginning of period	$ 3,521	$ 2,994
Additions during the period	3,771	4,218
Revenue recognized during the period	(4,177)	(3,876)
Total deferred revenue from product sales	$ 3,115	$ 3,336
Deferred collaboration revenue		
Balance at beginning of period	$ —	$ —
Additions during the period	3,500	—
Revenue recognized during the period	(40)	—
Total deferred revenue from collaboration (current)	1,381	—
Total deferred revenue from collaboration (noncurrent)	2,079	—
Total deferred revenue from collaboration	$ 3,460	$ —

Stock-Based Compensation

The Company has three active equity incentive compensation plans: the Calhoun Vision, Inc. 2015 Equity Incentive Plan (“2015 Plan”), the 2021 Equity Incentive Plan (“2021 Plan”), and the 2026 Inducement Equity Incentive Plan (the "Inducement Plan"), which are collectively referred to as the “Equity Plans.” The Company also has an employee stock purchase plan, the 2021 Employee Stock Purchase Plan (“2021 ESPP”).

The Company recognizes compensation expense for equity-based awards on the date of grant to employees, board of directors and consultants based on the estimated grant date fair value of the award's equity-based payments including stock options, restricted stock units (“RSUs”), performance-based restricted stock units (“PSUs”), and employee stock plan purchases (“ESPP”). The fair value of option awards is estimated using the Black-Scholes option-pricing model and recognized as an expense over the requisite service period, which is generally three to four years. The fair value of RSUs is estimated based on the fair value of the Company's common stock on the grant date.
The Company amortizes stock-based compensation for equity awards with service conditions on a straight-line basis over the vesting period of the awards. Forfeitures of unvested stock option awards are recognized as reductions of expense as they occur.

The Company uses the simplified method to calculate the expected term for options granted to employees due to its lack of sufficient historical data, whereby the expected term equals the arithmetic average of the vesting term and the original contractual term of the options, except for when awards are determined to be out-of-the-money, as was the case when applying modification accounting to the stock options tendered during the Option Exchange in September 2026. Refer to Note 6 for details on the stock option exchange.

In 2026, the Company began granting PSUs subject to performance, market and/or service conditions. The Company granted PSUs with vest schedules that include one of the following: (i) PSUs that vest subject to a performance condition based on the achievement of an annual sales target set for the total company, and a service condition, (ii) PSUs granted to certain executives that vest subject to a market condition based on a total shareholder return growth (“TSR”) target measured over a three-year period against a designated market index and a service condition, and (iii) for the sales directors, PSUs that vest based on achievement of the individual employee's annual sales targets and a service condition. The service condition requires employees to be active through the certification date to be earned. The fair value of the PSUs that do not include a TSR condition was determined based on the fair value of the Company's common stock on the grant date. Compensation expense for these awards is recognized over the requisite service period, which is approximately one year.

The fair value of the PSUs that include a TSR condition was determined using the Monte Carlo simulation model on the grant date. Vesting of the TSR awards is contingent on the achievement of the Company's TSR growth relative to the Nasdaq Healthcare Index as measured over a three-year period. Compensation expense for these awards is recognized over the requisite service period regardless of the metric being achieved.

The Black-Scholes option-pricing model requires the use of assumptions about a number of variables, such as the fair market value of the Company's common stock, expected volatility, expected term, risk-free interest rate, and dividend yield as discussed below:

Fair market value—The fair value of common stock is determined by using the closing price per share of common stock as reported on the Nasdaq Global Market.

Expected volatility—The Company based the expected volatility on the historic volatility of its common stock.

Expected term—The Company's expected term represents the period that the Company's stock-based awards are expected to be outstanding. The Company used the simplified method (based on the mid-point between the vesting date and the end of the contractual term) to determine the expected term.

Risk-free interest rate—The risk-free interest rate used is based on the published U.S. Department of Treasury interest rates in effect on the grant date for zero coupon U.S. Treasury notes with maturities approximating each grant's expected term.

Dividend yield—The Company has never paid dividends on its common stock and has no plans to pay dividends on its common stock. Therefore, the Company used an expected dividend yield of zero.

Recent Accounting Pronouncements

Changes to GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of accounting standards updates ("ASU").

Accounting Standards Adopted in 2026

In September 2025, the FASB issued ASU 2025-07, "Derivatives and Hedging" (Topic 815) and Revenue from Contracts with Customers (Topic 606) ("ASU 2025-07"). ASU 2025-07 refines the scope of Topic 815 by adding a scope exception from derivative accounting for contracts that are (1) non–exchange-traded and (2) have underlyings based on operations or activities specific to one of the parties to the contract. However, contracts based on certain underlyings would not qualify for the scope exception. ASU 2025-07 also clarifies that the revenue guidance in Topic 606 applies initially to share-based noncash consideration received from a customer for the transfer of goods or services. The guidance in other topics, including Topic 815, is not applied until the entity's right to receive or retain the share-based noncash consideration is unconditional under ASC Topic 606. ASU 2025-07 is effective for all entities for annual reporting periods beginning after December 15, 2026, and for interim reporting periods within those annual periods. Early adoption is permitted, with transition applied on either a prospective or modified retrospective basis. The Company early adopted ASU 2025-07 in 2026 and applied the scope exception to the RxSight-Alcon Collaboration Agreement. Accordingly, none of the components were accounted for as an embedded derivative.

Accounting Standards Not Yet Adopted

In September 2025, the FASB issued ASU 2025-06, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) Targeted Improvements to the Accounting for Internal-Use Software." ASU 2025-06 amends the guidance in Accounting Standards Codification ("ASC") 350-40 by modernizing the recognition and disclosure framework, removing the previous "development stage" model and introducing a more judgment-based approach. ASU 2025-06 also applies to ASC 350-50, "Intangibles-Goodwill and Other -Website Development Costs," and is effective for fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company has not yet completed its assessment of the impact of ASU 2025-06 on the Company's consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures, (subtopic 220-40)." The update requires the disclosure of specific information related to certain costs and expenses, including amounts for inventory purchases, employee compensation, and depreciation and amortization included in each relevant expense caption presented on the face of the income statement. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently assessing the impact of ASU 2024-03 on the Company's consolidated financial statements.

Note 3 – Short-Term Investments

Short-term investments, principally U.S. Treasury bills, are available-for-sale and consisted of the following (in thousands):

	As of September 30, 2026		
	Amortized Cost	Unrealized Loss, Net	Estimated Fair Value
U.S. Treasury securities	$ 188,095	$ (129)	$ 187,966

	As of December 31, 2025		
	Amortized Cost	Unrealized Gain, Net	Estimated Fair Value
U.S. Treasury securities	$ 208,126	$ 53	$ 208,179

All available-for-sale securities held as of September 30, 2026 and December 31, 2025 had a maturity of less than one year. The Company has classified all marketable securities, regardless of maturity, as short-term investments based upon the Company's ability and intent to use any and all of those marketable securities to satisfy the Company's liquidity requirements.

Note 4 – Inventories

Inventories consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Finished goods	$ 30,873	$ 21,635
Raw materials	8,734	8,341
Work-in-process	4,603	3,555
Total inventories, gross	44,210	33,531
Less: reserve for excess and obsolete inventory	(4,617)	(1,972)
Total inventories	$ 39,593	$ 31,559

At September 30, 2026 and December 31, 2025, finished goods included $7.8 million and $6.9 million of inventory held on consignment at customer sites, respectively. For the three- and nine-month periods ended September 30, 2026, inventory reserves increased by $1.8 million and $3.0 million, respectively. For the three- and nine-month periods ended September 30, 2025, inventory reserves increased by $0.1 million and $1.3 million, respectively. Changes to inventory reserves are recorded to Cost of sales in the condensed consolidated statements of operations.

Note 5 – Fair Value Measurements

The table below (in thousands) presents information about the Company's assets and liabilities measured at fair value on a recurring basis and indicate the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value. The Company did not have any assets or liabilities measured at fair value on a recurring basis within Level 3 fair value measurements.

Money market funds and U.S. Treasury securities are liquid investments and are actively traded. The pricing information on these investment instruments is readily available and can be independently validated as of the measurement date. This approach results in the classification of these securities as Level 1 of the fair value hierarchy.

	September 30, 2026	December 31, 2025
Level 1 Assets:		
Money market securities	$ 55,921	$ 15,025
U.S. Treasury securities	187,966	208,179
Total assets at fair value	$ 243,887	$ 223,204

Note 6 – Stock-Based Compensation Expense

The Company has three equity incentive compensation plans: the 2015 Plan, the 2021 Plan and the Inducement Plan.

2015 Plan

The 2015 Plan was originally adopted by the Board and approved by the Company's stockholders in 2015. In connection with the Company's initial public offering in July 2021, the 2015 Plan terminated immediately prior to effectiveness of the 2021 Plan with respect to the grant of future awards. However, the 2015 Plan will continue to govern the terms and conditions of the outstanding awards previously granted under the 2015 Plan.

2021 Plan

On July 28, 2021, the 2021 Plan was adopted and approved by the Board and stockholders. The 2021 Plan provides for the grant of incentive stock options to employees and any subsidiary corporations' employees, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock, RSUs, and PSUs to employees, directors, and consultants and subsidiary corporations' employees and consultants. The number of shares of the Company's common stock originally available for issuance under the 2021 Plan was equal to 6,989,665 shares of common stock.

The number of common shares reserved for issuance under the 2021 Plan will be increased automatically on the first day of each fiscal year beginning with the 2022 fiscal year and ending on the ten year anniversary of the date the Board approved the 2021 Plan, by a number equal to the lesser of: (i) 7,260,406 shares of the Company's common stock; (ii) 4% of the outstanding shares of the Company's common stock on the last day of the immediately preceding fiscal year; or (iii) such other amount as the administrator may determine. The 2021 Plan is administered by the Board, or a duly authorized committee thereof. On January 1, 2026 and 2025, the number of shares available under the 2021 Plan increased by 1,649,680 and 1,617,128 shares of common stock, respectively, pursuant to this feature.

On August 10, 2026, the Company filed with the SEC a Tender Offer Statement on Schedule TO defining the terms and conditions of a one-time voluntary stock option exchange to its employees, including the Company's named executive officers, of certain options to purchase up to an aggregate of 4,088,496 shares of the Company's common stock (the "Option Exchange"). On September 4, 2026, (the "Expiration Date") of the Option Exchange, stock options covering an aggregate of 3,756,461 shares of common stock were tendered by eligible employees, and the Company granted 757,513 replacement restricted stock units and 1,643,324 replacement options at an exercise price of $6.375, the Company's closing stock price on September 4, 2026, covering an aggregate of 2,400,837 shares of common stock under the 2021 Plan. The Company's executive officers were permitted to tender certain of their options in exchange for new options. These new options were granted with vest dates ranging from twelve to thirty months depending on whether the tendered option was vested or unvested as of the Expiration Date. The value of the new options ranged from $3.42 to $3.53 and were valued using the Black-Scholes option pricing model. Employees other than the Company's executive officers were permitted to exchange qualifying options for RSUs. Such RSUs vest over a period of twelve to twenty-four months depending on whether the tendered option was vested or unvested as of the Expiration Date, and the grant date fair value of each RSU was $6.375. This exchange was accounted for as a modification and resulted in $2.3 million in incremental share-based compensation expense. The incremental expense represents the difference between the fair value of the original grant prior to the Expiration Date and the fair value of the replacement grant on the grant date of September 5, 2026.

As of September 30, 2026, and after giving effect to the Option Exchange, the number of shares of the Company's common stock available for future issuance and not subject to outstanding awards under the 2021 Plan was equal to 2,269,073 shares of common stock.

2021 ESPP

On July 28, 2021, the Board and stockholders adopted and approved the 2021 ESPP. As of September 30, 2026, the number of shares of the Company's common stock available for future issuance under the 2021 ESPP was equal to 292,112 shares of common stock. The initial purchase period began on November 1, 2021.

The 2021 ESPP provides eligible employees of the Company and its subsidiaries with the opportunity to purchase shares of the Company's common stock at a purchase price equal to 85% of the common stock's fair

market value on the first trading day or last trading day of each purchase period, whichever is lower. The 2021 ESPP provides for two six-month purchase periods every twelve months: May 1 through October 31 and November 1 through April 30.

The number of common shares reserved for issuance under the 2021 ESPP will be increased automatically on the first day of each fiscal year beginning with the 2022 fiscal year, by a number equal to the lesser of: (i) 1,452,081 shares; (ii) 1% of the outstanding shares of the Company's common stock on the last day of the immediately preceding fiscal year; or (iii) such other amount as the administrator may determine. The 2021 ESPP is administered by the Board. The Board determined that no additional shares were reserved for issuance on January 1, 2026 and 2025 pursuant to this feature.

Inducement Plan

On July 13, 2026, the Board adopted the Inducement Plan, pursuant to which the Company may from time to time make equity grants to new employees as a material inducement to their employment. The Board initially reserved 3,500,000 shares of the Company's common stock for issuance under the Inducement Plan. The Inducement Plan will be administered by the Compensation Committee of the Board. On September 27, 2026, the Board reserved an additional 750,000 shares of the Company's common stock for issuance under the Inducement Plan. As of September 30, 2026, there were 1,366,576 shares available for issuance under this plan.

Common Stock Reserved for Future Issuance

Each share of common stock is entitled to one vote. Total shares of common stock reserved for future issuance under all plans consisted of the following:

	September 30, 2026	December 31, 2025
Shares subject to stock options (all plans)	4,636,321	6,556,728
Restricted stock units issued	5,028,386	813,199
Shares available for future issuance 2021 Plan	2,269,073	613,210
Shares available for future issuance under the Inducement Plan	1,366,576	—
Shares available for future issuance under 2021 ESPP	292,112	394,868
Total shares of common stock reserved	13,592,468	8,378,005

Stock-Based Compensation Expense

The purpose of the 2021 Plan and 2021 ESPP is to provide a means by which eligible recipients of stock awards may be given an opportunity to benefit from increases in the value of the common stock in order to retain or procure the services of the employees, members of the Board and consultants and provide them with an incentive to promote the Company’s success and accomplish corporate goals.

As a result of the Option Exchange, the Company will recognize incremental stock-based compensation expense of $2.3 million over the requisite service period of the new grants, which ranges from twelve to thirty months. The Company will recognize approximately $26.2 million, which is the sum of the incremental stock-based compensation expense and the remaining unrecognized compensation expense for the original grants as of the modification date, over the requisite service period of the new stock grants.

Stock-based compensation expense related to awards issued under the Company's incentive compensation plans was classified in the accompanying condensed consolidated statements of operations and comprehensive (loss) as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Research and development	$ 1,852	$ 2,048	$ 5,830	$ 6,010
Selling, general and administrative	5,143	5,340	15,223	15,775
Cost of sales	639	720	1,991	2,010
Total	$ 7,634	$ 8,108	$ 23,044	$ 23,795

Stock-Based Award Activity

Stock Options

Stock option awards are granted with an exercise price of no less than 100% of estimated fair market value on the date of grant. Time based option awards generally vest over four years as follows, subject to the optionee's continuing service: (i) one fourth of the total number of shares vest and become exercisable on the one-year anniversary and then 1/48th of the total number of shares subject to the option vest and become exercisable on each monthly anniversary thereafter for the remaining three years, or (ii) 1/48th of the total number of shares subject to the option vest and become exercisable each month over four years. Options granted pursuant to the Option Exchange were granted with shorter vest periods as noted above.

A summary of the stock option activities for the nine months ended September 30, 2026 is presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
Options outstanding as of December 31, 2025	6,556,728	$ 23.60	6.8
Granted	2,636,680	7.28	
Exercised	(99,163)	4.26	
Forfeited	(2,068,110)	24.39	
Exchange (net of replacement grants 1,643,324)	(2,113,137)	19.38	
Expired	(276,677)	16.80	
Options outstanding as of September 30, 2026	4,636,321	$ 13.33	5.3
Exercisable as of September 30, 2026	2,072,859	$ 19.27	2.8

As of September 30, 2026 and December 31, 2025, there were 2,563,462 and 2,307,812 unvested options, respectively. As of September 30, 2026 and December 31, 2025, total unrecognized expense related to unvested stock options was approximately $18.2 million and $43.5 million, respectively. The $18.2 million of unrecognized expense as of September 30, 2026 is expected to be recognized over a weighted average period of approximately 2.1 years.

As of September 30, 2026 and December 31, 2025 the intrinsic value of options vested was less than $0.1 million and $0.8 million, respectively, and of all options outstanding was less than $0.1 million and $1.2 million, respectively. During the nine months ended September 30, 2026 and 2025, the total cash received from the exercise of stock options was $0.4 million and $2.1 million, respectively. During the nine months ended September 30, 2026 and 2025, the total fair value less strike price of these options was $0.3 million and $4.3 million, respectively.

RSUs and PSUs

A summary of RSU and PSU activities for the nine months ended September 30, 2026 is as follows:

	Number of RSUs	Number of PSUs	Total	Weighted Average Grant Date Fair Value
RSUs and PSUs outstanding as of December 31, 2025	813,199	—	813,199	$ 25.82
Granted	3,769,775	685,347	4,455,122	10.03
Option Exchange grants	757,513	—	757,513	6.38
Vested	(549,343)	—	(549,343)	17.48
Forfeited	(337,226)	(111)	(448,105)	13.73
RSUs and PSUs outstanding as of September 30, 2026	4,453,918	574,468	5,028,386	$ 11.44

As of September 30, 2026, and December 31, 2025, total unrecognized expense related to non-vested RSUs and PSUs was approximately $37.7 million and $17.8 million, respectively. The $37.7 million of unrecognized compensation cost is expected to be recognized over a weighted average period of 2.0 years.

During the nine months ended September 30, 2026, the Company granted PSUs under the plan as follows:

- The Company granted PSUs to certain executive officers that vest contingent upon achievement of certain TSR growth targets. The PSUs will vest in three years from the award date, subject to the achievement of market conditions during the three-year performance measurement period, as long as the grantee remains an active employee through the certification date. The number of shares that may be earned can range from 0% to 200% of the target amount.
- The Company granted PSUs to certain executive officers and other employees that vest contingent upon achievement of certain total company revenue targets for 2026 as long as the grantee remains an active employee through the certification date. The number of shares that may be earned can range from 0% to 100% of the target amount.
- The Company granted PSUs to certain sales-based employees that vest contingent upon achievement of individual sales targets set for 2026, as long as the grantee remains an active employee through the certification date. The number of shares that may be earned can range from 0% to 100% of the target amount.

Fair Value Disclosure

The following table presents the range and weighted-average assumptions, used in the Black-Scholes option pricing model to determine the fair value of stock options:

	Nine Months Ended September 30,			
	2026		2025	
	Range	Weighted Average	Range	Weighted Average
Expected volatility	67.0% to 73.0%	67.4%	52.0% to 74.0%	66.3%
Risk-free interest rate	3.5% to 4.5%	4.4%	3.7% to 4.8%	4.1%
Expected life (in years)	3.9 to 6.1 years	4.3 years	5.5 to 6.1 years	6.0 years
Expected dividend yield	0.0%	0.0%	0.0%	0.0%
Grant date fair value	$3.42 to $6.77	$6.51	$7.19 to $33.87	$27.10

Valuation of the TSR Performance Awards

The market-based performance awards are measured at fair value using the Monte Carlo method on the date of grant. Because the Awards are equity classified, they are not subsequently remeasured. The following table presents the assumptions used in the Monte Carlo simulation model to determine the grant-date fair value of the 2026 PSU awards with a market condition:

	Nine Months Ended September 30,
	2026
Expected volatility	69.2%
Risk-free interest rate	3.3%
Grant date fair value	$12.14

Note 7 – Leases

The Company has operating and finance leases for facilities and certain equipment. Leases with an initial term of 12 months or less are not recorded on the condensed consolidated balance sheets. Lease expense for operating leases is recognized on a straight-line basis over the lease term. The Company does not combine lease and non-lease components in the recognition of lease expense.

As of September 30, 2026 the Company held five leases for office, manufacturing and warehouse facilities in Aliso Viejo, California. The five leases are for approximately 150,000 square feet in the aggregate and expire January 31, 2031. For one such operating lease, the lessor provided $1.1 million in tenant allowances.

The following table presents the lease balances within the Condensed Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025 (in thousands):

Leases	Classification	September 30, 2026	December 31, 2025
Assets			
Operating	Operating leases right-of-use assets	$ 9,246	$ 9,959
Finance	Property and equipment, net	60	81
Total lease assets		9,306	10,040
Liabilities			
Current			
Operating	Lease liabilities	1,813	1,134
Finance	Lease liabilities	31	28
Noncurrent			
Operating	Long-term lease liabilities	8,435	9,813
Finance	Long-term lease liabilities	41	65
Total lease liabilities		$ 10,320	$ 11,040

Maturities of the Company's operating and finance lease liabilities as of September 30, 2026 were as follows (in thousands):

Year Ended December 31,	Operating Leases	Finance Leases
2026 (remainder)	$ 783	$ 10
2027	3,195	40
2028	3,189	34
2029	3,267	—
2030 and thereafter	3,375	—
Total lease payments	13,809	84
Less: imputed interest	(3,561)	(12)
Total lease liabilities	$ 10,248	$ 72

The weighted average remaining lease term and weighted average discount rate used to determine lease liabilities related to the Company's operating and finance leases as of September 30, 2026 and December 31, 2025 were:

Lease Term and Discount Rate	September 30, 2026	December 31, 2025
Weighted average remaining lease term (years)		
Operating leases	4.29	5.08
Finance leases	2.10	2.85
Weighted average discount rate		
Operating leases	14.4%	14.4%
Finance leases	14.4%	14.4%

Note 8 – Commitments and Contingencies

Legal Matters

The Company occasionally becomes involved in litigation arising in the normal course of business, including without limitation, actions with respect to intellectual property, employment, regulatory, product liability and contractual matters. In connection with these proceedings or matters, the Company regularly assesses the probability and amount (or range) of possible issues based on the developments in these proceedings or matters. A liability is recorded in the condensed consolidated financial statements if it is determined that it is probable that a loss has been incurred, and that the amount (or range) of the loss can be reasonably estimated. Because of the uncertainties related

to any pending proceedings or matters, the Company is currently unable to predict their ultimate outcome and, with respect to any legal proceeding or regulatory matter where no liability has been accrued, to make a reasonable estimate of the possible loss (or range of loss) that could result from an adverse outcome. At September 30, 2026 and December 31, 2025, there were no legal proceedings, regulatory matters, or other disputes or claims for which a material loss was considered probable or for which the amount (or range) of loss was reasonably estimable. However, regardless of the outcome, legal proceedings, regulatory matters, and other disputes and claims can have an adverse impact on the Company because of legal costs, diversion of management time and resources, and other factors. See “Legal Proceedings” in Part II, Item I of this Quarterly Report.

Note 9 — Subsequent Events

The Company has evaluated subsequent events through November 3, the date the financial statements were issued.

Commercial Leadership Equity Grants

On October 23, 2026, the Company granted inducement stock options to purchase a total of 236,456 shares of the Company's common stock to two new non-executive officer employees in connection with the commencement of their employment with the Company. The Company also agreed to grant inducement RSUs covering a total of 637,449 shares of the Company's common stock to the same employees in connection with the commencement of their employment, which RSUs are anticipated to be granted on or about November 3, 2026.

Each inducement stock option has an exercise price of $5.02 per share, which is equal to the closing price of a share of the Company's common stock on the grant date, and shall vest as follows, subject to continuing service: 25% of the shares subject to such inducement stock option shall vest on the one year anniversary of October 23, 2026, and one forty-eighth (1/48th) of the shares subject to such inducement stock option shall vest monthly thereafter.

Each inducement RSU award shall vest as follows, subject to continuing service: one-sixth of the shares subject to the inducement RSU award shall vest on the first trading day on or after each of February 28, 2027, August 31, 2027, February 29, 2028, August 31, 2028, February 28, 2029, and August 31, 2029.

RxSight-Alcon Collaboration

On October 28, 2026, the $50.0 million upfront payment received under the RxSight-Alcon Collaboration Agreement became nonrefundable, and is no longer constrained under ASC 606. In the fourth quarter of 2026, the Company will include the $50.0 million in the transaction price and will allocate the revenues to each of the Company's performance obligations under the agreement.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes to those statements included elsewhere in this report and our audited consolidated financial statements and related notes thereto for the year ended December 31, 2025, included in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on February 25, 2026. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under Part II, Item 1A "Risk Factors", and elsewhere in, this report. See "Special Note Regarding Forward-Looking Statements."

We are a commercial-stage medical technology company dedicated to providing high quality customized vision to patients following cataract surgery. Our proprietary RxSight® Light Adjustable Lens system ("RxSight system") is the first and only commercially available premium cataract technology that enables doctors to customize and optimize visual acuity for patients after surgery. The RxSight system is comprised of our RxSight Light Adjustable Lens® ("LAL®" and "LAL+®", collectively the "LAL"), RxSight Light Delivery Device ("LDD™"), and related accessories. The LAL is a premium intraocular lens ("IOL") made from the proprietary silicone-based photosensitive material that undergoes controlled changes in refractive power when exposed to specific ultraviolet ("UV") light patterns generated by the LDD.

We designed our RxSight system to address limitations of conventional premium IOL technologies by providing doctors with a more precise and adaptable method for achieving desired visual outcomes for their patients. Conventional premium IOLs require patients to select their visual priorities before surgery and accept the optical trade-offs inherent in those choices. Surgeons must rely on a series of preoperative measurements and predictive formulae to determine the appropriate lens power. If the selected power is not optimal, the patient may experience less-than-ideal results that could require a subsequent corneal refractive procedure or other corrective measures to achieve intended vision targets.

In contrast, with the RxSight system, the surgeon implants the LAL as they would in any other cataract procedure, determines refractive error with patient input several weeks following surgery and then uses the LDD to modify the LAL with the precise visual correction needed to achieve the patient's desired vision outcomes. We believe our RxSight system provides doctors and patients with increased confidence and peace of mind by eliminating the high-stakes preoperative guesswork common to conventional premium IOLs and allowing patients to iterate their final vision characteristics with customized post-surgical adjustments. Currently, we primarily compete in the IOL market in the U.S. The LAL is a premium IOL which is partially reimbursable under Medicare, and in some cases by private payors. Premium IOLs are sold at a higher price point than conventional IOLs as they provide refractive vision correction, whereas conventional IOLs simply replace the natural lens with a clear lens (which is the standard for Medicare reimbursement). Our RxSight system is approved in the U.S. and in several foreign countries for improving uncorrected visual acuity by adjusting the LAL power to correct residual postoperative refractive error. We intend to seek additional approvals in the future to broaden our international presence. While we are growing our presence outside the U.S., we do not anticipate sales from these non-U.S. regions to be material to our consolidated results of operations in the foreseeable future.

We are a Delaware corporation headquartered in Aliso Viejo, California with two wholly owned subsidiaries located in Hong Kong and in Amsterdam, Netherlands ("RxSight Netherlands"). RxSight, Netherlands has a registered branch in the United Kingdom and a wholly owned subsidiary located in Germany.

Our commercial efforts began in 2019, and have been primarily focused in the U.S., where we are building a "razor and razor blade" business model to drive new customer adoption and ongoing LAL volume growth. Our sales efforts are concentrated on the approximately 4,000 U.S. cataract surgeons that perform approximately 60% of all premium IOL procedures. As of September 30, 2026, we have established a global installed base of 1,170 LDDs in ophthalmology practices and, since our inception through September 30, 2026, surgeons have implanted approximately 380,000 LALs.

We believe this business model provides an attractive and concentrated market opportunity addressable with a focused sales force. We intend to continue to make significant investments in our commercial organization. We believe selectively increasing the number of sales representatives, practice development personnel and clinical trainers will help facilitate further adoption of our products among existing customer accounts as well as broaden awareness of our products to new accounts. We plan to grow our business primarily by driving increased utilization of our LAL through heightened awareness of the superior clinical outcomes that our RxSight system provides patients. To continue strengthening our competitive position in the premium IOL market, our research and development activities are focused on programs that improve clinical outcomes, improve customer experience, expand our indications for use, reduce manufacturing costs and support lifecycle management.

Our near-term research and development activities are focused on enhancements to the RxSight system to improve clinical outcomes, enhance customer experience, expand our indications for use, reduce manufacturing costs and support lifecycle management. We believe our adjustable lens solution can be used to address a broad range of cataract surgery patients, including those that would otherwise elect for a conventional cataract procedure today. We will undertake additional clinical studies to expand the existing body of evidence related to the safety and effectiveness of our current and future generations of products. Finally, we may in the future seek to acquire or invest in additional businesses, products or technologies that we believe could complement or expand our portfolio, enhance our technical capabilities or otherwise offer growth opportunities. While we continue to make investments in our sales and marketing organization, including personnel in clinical applications, practice development, sales and technical service personnel, we also intend to expand our marketing efforts through additional print and digital, social media, education and other customer tools to drive further adoption of the RxSight system.

Additionally, we have incurred and expect to continue to incur costs related to operating as a public company, such as director and officer insurance premiums, audit fees, costs for compliance with Section 404(b) of the Sarbanes-Oxley Act, legal fees, investor relations fees, fees to members of our Board of Directors, and expenses for compliance with public-company reporting requirements. Because of our ongoing investment in our business and products and these and other factors, we expect to continue to incur net losses and negative cash flows from operations for the near future.

Recent developments

- *Leadership Transition and Board Appointment.* On July 13, 2026, our Board appointed Aziz Mottiwala as President and Chief Executive Officer, effective as of his start date of July 20, 2026, succeeding Ron Kurtz, M.D., who had served in these roles since 2016. Effective upon Mr. Mottiwala's appointment, Dr. Kurtz transitioned to the role of Chief Medical Officer and resigned from the Board. In addition, effective July 20, 2026, Mr. Mottiwala was appointed to the Board as a Class II director and his term of office will expire at our 2029 annual meeting of stockholders or until his successor is duly elected and qualified.
- *Adoption of the RxSight, Inc. 2026 Inducement Equity Incentive Plan and Additional Share Increase.* On July 13, 2026, the Board adopted the RxSight, Inc. 2026 Inducement Equity Incentive Plan (the "Inducement Plan"), pursuant to which we may from time to time make equity grants to new employees as a material inducement to their employment. The Board reserved 3,500,000 shares of our common stock for issuance under the Inducement Plan. The Inducement Plan was adopted without stockholder approval pursuant to Nasdaq Listing Rule 5635(c)(4) and will be administered by the Compensation Committee of the Board. On September 27, the Board reserved an additional 750,000 shares of the Company's common stock for issuance under the Inducement Plan. The additional shares are expected to be registered with the SEC during the first week of November 2026.
- *Updated Product Pipeline*. On July 6, 2026, we announced certain product pipeline updates, including the following:
    - Next-generation LAL, designed to deliver best-in-class visual quality and optical clarity, with post-operative refractive optimization to consistently achieve targeted visual outcomes;
    - Next-generation LAL+, designed to improve intermediate vision for everyday activities while preserving high-quality optical performance, with adjustability enabling precise refractive targeting; and

- LAL Toric, designed with built-in astigmatism correction, while still enabling post-operative refinement of residual sphere and cylinder to maximize uncorrected visual acuity.

- *RxSight-Alcon Collaboration Agreement.* On June 30, 2026, we entered into a License, Collaboration and Development Agreement (the "RxSight-Alcon Collaboration Agreement") with Alcon Pharmaceuticals, Ltd. ("Alcon"), pursuant to which we will collaborate with Alcon to develop and commercialize light-adjustable versions of certain Alcon simultaneous vision intraocular lenses ("SVIOLs") by incorporating RxSight Light Adjustable Technology™. For more information regarding the RxSight-Alcon Collaboration Agreement, see (i) Note 1 to our unaudited condensed consolidated financial statements and the related notes to those statements included elsewhere in this report and (ii) Item 1.01 of our Current Report on Form 8-K filed with the SEC on July 6, 2026, which is incorporated herein by reference.

- *Option Exchange.* On August 10, 2026, we filed with the SEC a Tender Offer Statement on Schedule TO defining the terms and conditions of a one-time voluntary stock option exchange to our employees of certain options to purchase up to an aggregate of 4,088,496 shares of the Company's common stock (the "Option Exchange"). On September 4, 2026, the completion date of the Option Exchange, stock options covering an aggregate of 3,756,461 shares of common stock were tendered by eligible employees, and we granted 757,513 restricted stock units at a grant date fair value of $6.375 and 1,643,324 options at an exercise price of $6.375, the closing stock price on September 4, 2026, covering an aggregate of 2,400,837 shares of common stock under the 2021 Equity Incentive Plan.

- *Inducement Plan Grants.* On October 23, 2026, inducement stock options to purchase a total of 236,456 shares of the Company's common stock were granted to two new non-executive officer employees in connection with the commencement of their employment with RxSight. We also agreed to grant inducement RSUs covering a total of 637,449 shares of our common stock to the same employees in connection with the commencement of their employment, which RSUs are anticipated to be granted on or about November 3, 2026. See Note 9 for further details.

Key business metrics

We regularly review several operating and financial metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate our business plan and make strategic decisions.

Our results are influenced by several key factors, including: (i) the utilization of that installed base for LAL procedures, measured by the number of LALs implanted per installed LDD; (ii) our LDD installed base; (iii) product mix between LALs and LDDs, which affects our overall gross margins; (iv) manufacturing cost trends; and (v) seasonal and external factors that may affect cataract surgery volumes, including, among other things, competition (including the effect of recent competitive trialing activity associated with new product launches), physician reimbursement trends, and consumer sentiment which affects procedure timing. We believe the number of LALs implanted are the strongest indicators of the adoption of our technology and our ability to generate revenue.

	2026			2025			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
LDDs Sold	3	11	20	25	25	40	73
Installed Base at End of Period [(1)]	1,170	1,166	1,154	1,134	1,109	1,084	1,044

(1) Installed base at end of period includes LDDs placed with customers under rental arrangements.

	2026			2025			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
LALs Sold	23,128	24,917	27,472	28,611	26,045	27,380	27,579

During the quarter ended September 30, 2026, we sold 3 LDDs and placed 1 LDD on rental, a decrease of 22 units from 25 LDDs sold during the quarter ended September 30, 2025, due to slower LDD placements. LAL sales decreased by 2,917 when compared to the quarter ended September 30, 2025, primarily reflecting ongoing competitive pressures.

Our quarterly and annual financial results may fluctuate as a result of a variety of factors, many of which are outside our control. Seasonality may cause fluctuations in our operating results and financial metrics and make forecasting our future operating results and financial metrics more difficult.

Components of results of operations

Product Sales

Our sales consist of LALs used in cataract surgeries, the LDDs for delivering light to the LALs to adjust the lens post-surgery, as needed, and service and accessories. Revenue is derived from sales of products mainly in the U.S. and select international markets. Customers are primarily comprised of ophthalmic practices (LDD sales) and ambulatory surgery centers (LAL sales). Following several years of rapid growth, sales moderated in 2025 and continued to decline through the third quarter of 2026, however, we expect our commercial realignment initiatives to position the company for renewed revenue growth. We plan to drive continued expansion by supporting existing practices and helping new adopters in achieving early success and sustained long-term growth.

In the U.S., LALs are held at customer sites on consignment. Revenue is recognized for LALs upon customer notification that the LALs have been implanted in a patient. Outside the U.S., generally, LALs are held at distributor sites and distributor customer locations, with revenue recognized for LALs upon the distributor notification that the LALs have been implanted in a patient or upon shipment to the distributor.

Our LDD sales contracts contain multiple performance obligations bundled into one transaction price, with all obligations generally satisfied within one year. Revenue for the LDD capital asset is recognized at a point in time either at installation and acceptance or upon shipment to our international distributors. Revenue for training is also recorded at a point in time, generally 60 days after installation. Revenue for the device service is recognized ratably over time after installation, generally 12-36 months. After the first year, service contracts can be purchased separately on a standalone basis. Revenue for such service agreements will be recognized ratably over the term of each contract.

Collaboration Revenue

We accounted for the RxSight-Alcon Collaboration Agreement under ASC Topic 606 and ASC Topic 808. We identified the following performance obligations under the agreement; (a) a license of our intellectual property; (b) Phase I Feasibility and Phase II Regulatory Activities required to achieve project milestones; and (c) material rights related to the commercial supply of Collaboration Products. Milestone payments that are not within our control, such as approvals from regulators or where attainment of the specified event is dependent on the development activities of a third party, are not considered probable of being achieved until those approvals are received or the specified event occurs. Revenue is recognized when the underlying performance obligation has been met. The consideration allocated to each performance obligation is recognized as revenue when control is transferred for the related goods or services. For performance obligations which consist of licenses or other promises, we utilize judgment to assess the nature of the performance obligation to determine whether the performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress. We evaluate the measure of progress each reporting period and, if necessary, adjust the measure of performance and related revenue recognition.

At inception, the transaction price was $10.0 million, consisting of the non-refundable portion of the $60.0 million upfront payment. The remaining $50.0 million of the upfront payment was refundable if the agreement is terminated within the first 120 days of the effective date. On October 28, 2026 the 120-day period lapsed, see Note 9, Subsequent Events, for further information.

The transaction price excludes (i) potential milestone payments and (ii) sales- and usage-based royalties. The milestone payments represent variable consideration that is fully constrained under ASC 606, because achievement of the underlying feasibility and regulatory milestones is contingent on factors outside our control and it is not probable that a significant reversal of cumulative revenue would not occur. The royalties are excluded under the sales- and usage-based royalty exception in ASC 606 and will be recognized as the related sales or usage occur. We will reassess the estimate of constrained consideration at each reporting date, and amounts will be included in the transaction price when it becomes probable that a significant revenue reversal will not occur.

We have elected the optional exemptions in ASC 606 and therefore do not disclose the value of the remaining performance obligations for (i) variable consideration allocated to wholly unsatisfied performance obligations and (ii) consideration in the form of sales- and usage-based royalties.

We allocated the $10.0 million transaction price to the identified performance obligations based on their relative standalone selling prices. The standalone selling price of the license was estimated using a discounted cash flow analysis reflecting forecasted revenues, development timelines and expenses, discount rates, and probabilities of feasibility and regulatory success. The standalone selling price of the Feasibility and Regulatory Activities was estimated based on forecasted costs over the expected development period.

- *Licensed Intellectual Property* — For licensed intellectual property that is distinct from other performance obligations, we recognize the upfront license fee and any milestone payments allocated to the license when the license is transferred and the licensee is able to benefit from it. We determined that Alcon could benefit from the license at the time it was granted; accordingly, the related performance obligation was satisfied at a point in time.

- *Project Activities* — At inception of an arrangement that includes milestone-based payments, we evaluated whether each milestone is probable of being achieved and estimates the amount to include in the transaction price using the most-likely-amount method, subject to the constraint. Because achievement of the milestones is not within our control, we recognize the associated consideration when the milestone is probable of being achieved. For performance obligations that are satisfied over time, we recognize revenue based on progress made towards completion of the project milestone. Progress is estimated using the input method under ASC 606 and is measured based on actual costs incurred relative to the total estimated project costs for that milestone. We expect to satisfy the feasibility and regulatory performance obligations over an estimated development period of several years, and the material rights will be satisfied upon exercise or expiration.

- *Material Rights to Product Supply* — When a contract grants the customer an option to acquire additional goods or services at a price other than their standalone selling price, we assess whether the option represents a material right. Material rights are accounted for as separate performance obligations, with revenue recognized when the right is exercised or expires.

In the second quarter of 2026, we recognized $6.5 million in license and collaboration revenue, which represented the portion of the $10.0 million nonrefundable upfront payment that was allocated to the license of intellectual property upon commencement of the RxSight-Alcon Collaboration Agreement. The remaining $3.5 million was allocated to the other performance obligations and recorded as deferred revenue and the remaining $50.0 million recorded as a refund liability and is not included in the transaction price in the condensed consolidated balance sheet. In the third quarter of 2026, we recognized additional collaboration revenue based on the estimated progress towards completion of the project milestones using the input method described above. On October 29, 2026, the $50.0 million became unconstrained, see Note 9 for further information.

For the three and nine months ended September 30, 2026 and 2025, revenue from contracts with customers consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Product sales:				
LDD (including training)	$ 427	$ 3,174	$ 4,119	$ 17,698
LAL	22,768	25,693	74,302	79,886
Service warranty, service contracts, and accessories	1,351	1,473	4,259	4,287
Total product sales	24,546	30,340	82,680	101,871
License and collaboration revenue	40	—	6,540	—
Total revenue	$ 24,586	$ 30,340	$ 89,220	$ 101,871

Product cost of sales

Product cost of sales consist of materials, labor and manufacturing overhead internally to produce our products as well as the cost of shipping and handling. Overhead costs include the cost of quality assurance, material procurement, inventory control, facilities, equipment and operations management and stock-based compensation. Product cost of sales also includes depreciation expense for production equipment and certain direct costs such as

shipping costs. Shipping costs billed to customers are included in sales. As we grow our revenue, we expect product cost of sales to increase in absolute dollars reflecting the higher volume of products sold.

We calculate product gross margin as product gross profit divided by product sales. Product gross profit represents product revenue less product cost of sales. Our product gross margin has been and will continue to be affected by a variety of factors, including average selling prices, product sales mix, production and ordering volumes, manufacturing costs, product yields, headcount and cost-reduction strategies. Our product gross margin could fluctuate from quarter to quarter as we introduce new products, increase or decrease units of production for both the LDD and LAL and as we adopt new manufacturing processes and technologies.

Our LDD, as is typical of many medical device capital equipment products, has a lower gross margin, as the material cost of the LDD is a significant portion of the total cost to manufacture. In addition, we do not mark up our LDD substantially because LDDs, once sold, can generate LAL procedures. Our LAL gross margin is higher, with low material cost but high fixed overhead costs.

LDD sales have declined in recent periods, and we currently hold LDD inventory in excess of near-term demand. In response, we paused LDD manufacturing during the third quarter of 2026 and expect to fulfill demand from existing inventory for a period of time. Our ability to realize the carrying value of this inventory depends on future LDD sales, placements under rental arrangements and international expansion, which may not occur at the levels or on the timeline we anticipate. If demand does not improve as expected, or if changes in technology, regulatory requirements or customer preferences reduce the marketability of our existing LDDs, we may be required to record inventory write-downs. In addition, while production is paused, certain fixed manufacturing costs will be expensed as incurred rather than included in the cost of inventory, and resuming production in the future may involve additional costs, delays or challenges, including retaining or rehiring qualified manufacturing personnel and requalifying suppliers. Any of these factors could adversely affect our gross margin and results of operations.

Operating expenses

Selling, general and administrative expenses

Selling, general and administrative ("SG&A"), expenses consist primarily of personnel-related expenses, including wages, incentive bonuses, stock-based compensation and benefits related to administrative, selling and marketing functions, education programs for doctors, commercial operations and analytics, finance, information technology and human resource functions. Other SG&A expenses include sales commissions, travel expenses, promotional activities, marketing initiatives, market research and analysis, conferences and trade shows, training for doctors, professional services fees such as legal, patent registration costs, accounting, audit fees (including costs for compliance with Section 404(b) of the Sarbanes-Oxley Act), tax fees, board of directors' expenses, insurance costs, general corporate expenses and facilities-related expenses. We expect SG&A expenses as a percentage of revenue to vary over time depending on the timing and level of investment in personnel-related spending.

Research and development expenses

Research and development expenses consist of expenses incurred in performing research and development and engineering activities for new products and technology, clinical studies and regulatory submissions and compliance. The expenses include personnel-related expenses, including wages, incentive bonuses, stock-based compensation and benefits, costs incurred at clinical trial sites, regulatory and manufacturing engineering costs, including those related to various laboratory and research equipment and supplies, expense of pre-approved inventory utilized for clinical trial and research purposes, costs incurred in the development of manufacturing processes in excess of capitalizable value, fees paid to consultants and contract clinical organizations and direct FDA related costs and costs related to FDA premarket approval submission preparation. Research and development expenses are expensed as incurred. We expect research and development expenses to increase substantially in future periods as we incur additional costs associated with the development of the Collaboration Products under the RxSight-Alcon Collaboration Agreement. We expect research and development expenses as a percentage of revenue to vary over time depending on the level and timing of our new product development efforts, as well as our clinical development, clinical trials and registries and other related activities.

Interest expense

Interest expense consists primarily of interest incurred on leases.

Interest and other income, net

Interest and other income, net consists primarily of interest income earned on our short-term investments and cash equivalents.

Comprehensive loss

All components of comprehensive loss, including net loss, are reported in the condensed consolidated financial statements in the period in which they are recognized. Comprehensive loss is defined as the change in equity during a period from transactions and other events and circumstances from non-owner sources, including unrealized gains and losses on short-term investments and foreign currency translation adjustments.

Results of operations

Comparison of the three months ended September 30, 2026 and 2025

The following table summarizes our results of operations for the three months ended September 30, 2026 and 2025 together with the dollar increase or decrease and percentage change in those items.

	Three Months Ended September 30,		Change	
(in thousands, except percentages)	**2026**	**2025**	**($)**	**(%)**
Revenue:				
Product sales	$ 24,546	$ 30,340	$ (5,794)	(19.1)%
License and collaboration revenue	40	—	40	100.0%
Total revenue	24,586	30,340	(5,754)	(19.0)%
Costs and expenses:				
Cost of sales	6,487	6,113	374	6.1%
Selling, general and administrative	27,404	27,345	59	0.2%
Research and development	9,213	9,060	153	1.7%
Total costs and expenses	43,104	42,518	586	1.4%
Loss from operations	(18,518)	(12,178)	(6,340)	52.1%
Other income (expense), net:				
Interest expense	(3)	(4)	1	(27.7)%
Interest and other income	2,325	2,376	(51)	(2.2)%
Loss before income taxes	(16,196)	(9,806)	(6,390)	65.2%
Income tax expense	28	10	18	169.0%
Net loss	$ (16,224)	$ (9,816)	$ (6,408)	65.3%
Other comprehensive loss				
Unrealized (loss) gain on short-term investments	(59)	178	(237)	(133.1)%
Foreign currency translation gain	18	(1)	19	(1484.6)%
Total other comprehensive gain (loss)	(41)	177	(218)	(123.2)%
Comprehensive loss	$ (16,265)	$ (9,639)	$ (6,626)	68.7%

Revenue

Total revenue for the three months ended September 30, 2026, was $24.6 million, a decrease of $5.8 million, or 19.0%, compared to $30.3 million for the three months ended September 30, 2025. The decrease in product sales was primarily due to lower unit sales of both LDDs and LALs, reflecting, among other things, increased competition in the IOL market, including recent widespread competitive trialing activity for new product launches.

Cost of Sales

Cost of sales increased by $0.4 million, or 6.1%, to $6.5 million for the three months ended September 30, 2026, from $6.1 million for the three months ended September 30, 2025, primarily due to increased reserves for excess and obsolete inventory, partially offset by decreased number of LDDs and LALs sold during the period as compared to the same period in the prior year. Product gross margin decreased to 73.6% in the three months ended September 30, 2026, from 79.9% for the three months ended September 30, 2025. The decrease is primarily due to

increased reserves for excess and obsolete inventory and higher-cost inventory, partially offset by favorable product mix.

SG&A expenses

SG&A expenses of $27.4 million for the three months ended September 30, 2026 were consistent with the three months ended September 30, 2025, on a net basis. However, commercial expenses decreased by $3.2 million during the three months ended September 30, 2026, as compared to the same period in 2025. The decrease in commercial costs was primarily driven by lower compensation and benefit costs of $0.9 million, lower clinical study costs of $1.2 million and lower stock-based compensation expense of $1.4 million. Offsetting the decrease in commercial expenses was an increase in general and administrative costs of $3.3 million during the three months ended September 30, 2026, as compared to the same period in 2025. The increase was driven by higher compensation and benefit costs of $1.2 million, higher share-based compensation costs of $1.2 million and higher professional services costs of $1.1 million.

Research and development expenses

Research and development expenses slightly increased by $0.2 million, or 1.7%, to $9.2 million for the three months ended September 30, 2026, from $9.1 million for the three months ended September 30, 2025. This increase was not material.

Other income (expense), net

Other income (expense), net, of $2.3 million for the three months ended September 30, 2026, was consistent with the three months ended September 30, 2025.

Comparison of the nine months ended September 30, 2026 and 2025

The following table summarizes our results of operations for the nine months ended September 30, 2026 and 2025 together with the dollar increase or decrease and percentage change in those items:

	Nine Months Ended September 30,		Change	
(in thousands, except percentages)	**2026**	**2025**	**($)**	**(%)**
Revenue:				
Product sales	$ 82,680	$ 101,871	$ (19,191)	(18.8)%
License and collaboration revenue	6,540	—	6,540	100.0%
Total revenue	89,220	101,871	(12,651)	(12.4)%
Costs and expenses:				
Cost of sales	21,738	24,125	(2,388)	(9.9)%
Selling, general and administrative	89,678	84,956	4,723	5.6%
Research and development	27,922	29,644	(1,722)	(5.8)%
Total costs and expenses	139,338	138,725	613	0.4%
Loss from operations	(50,118)	(36,854)	(13,264)	36.0%
Other income (expense), net:				
Interest expense	(9)	(14)	6	(41.3)%
Interest and other income	6,043	7,137	(1,094)	(15.3)%
Loss before income taxes	(44,084)	(29,731)	(14,353)	48.3%
Income tax expense	122	61	61	101.4%
Net loss	$ (44,206)	$ (29,792)	$ (14,414)	48.4%
Other comprehensive loss				
Unrealized loss on short-term investments	(184)	(123)	(61)	49.0%
Foreign currency translation gain	31	18	13	68.0%
Total other comprehensive loss	(153)	(105)	(48)	45.7%
Comprehensive loss	$ (44,359)	$ (29,897)	$ (14,461)	48.4%

Revenue

Total revenue for the nine months ended September 30, 2026, was $89.2 million, a decrease of $12.7 million, or 12.4%, compared to $101.9 million for the nine months ended September 30, 2025. The decrease was primarily driven by reduced product sales of $19.2 million, or 18.8%, to $82.7 million for the nine months ended September 30, 2026, from $101.9 million for the nine months ended September 30, 2025. The decrease in product sales was primarily due to lower unit sales of both LDDs and LALs, reflecting, among other things, increased competition in the IOL market, including recent widespread competitive trialing activity for new product launches. The overall decrease in total revenue was partially offset by contract revenues from the RxSight-Alcon Collaboration Agreement of $6.5 million, which relate to the upfront licensing fee for our LAL intellectual property.

Cost of sales

Cost of sales decreased by $2.4 million, or 9.9%, to $21.7 million for the nine months ended September 30, 2026 from $24.1 million for the nine months ended September 30, 2025, primarily due to the decrease in the number of units sold during the period as compared to the same period in the prior year, partially offset by increased scrap and reserve expense. Product gross margin decreased to 73.7% in the nine months ended September 30, 2026, from 76.3% for the nine months ended September 30, 2025, primarily due to higher-cost inventory and increased reserves for excess and obsolete inventory, partially offset by favorable product mix.

SG&A expenses

SG&A expenses increased by $4.7 million, or 5.6%, to $89.7 million for the nine months ended September 30, 2026, from $85.0 million for the nine months ended September 30, 2025. This increase was primarily attributable to higher professional services fees of $7.8 million. Additional increases were due to higher compensation and other employee-related costs of $2.0 million. These increases were partially offset by lower post-market clinical study expenses of $3.9 million as most projects concluded in late 2025 and lower marketing, lower office and other expenses of $0.8 million, lower stock-based compensation of $0.5 million and customer acquisition expenses of $0.4 million.

Research and development expenses

Research and development expenses decreased by $1.7 million, or 5.8%, to $27.9 million for the nine months ended September 30, 2026, from $29.6 million for the nine months ended September 30, 2025. This decrease was primarily due to lower compensation and other employee-related costs of $1.7 million, primarily driven by reduced headcount and allocations of certain employees to manufacturing during the second quarter of 2025.

Other income (expense), net

Other income (expense), net, decreased by $1.1 million to income of $6.0 million for the nine months ended September 30, 2026, as compared to income of $7.1 million for the nine months ended September 30, 2025. The decrease was primarily due to lower cash and short-term investment balances prior to receipt of the upfront payment for the RxSight-Alcon Collaboration Agreement at the beginning of the third quarter of 2026.

Liquidity and capital resources

Sources of liquidity

We have incurred significant operating losses and negative cash flows from operations since our inception, and we anticipate that we will incur significant losses in the future.

As of September 30, 2026, we had cash, cash equivalents and short-term investments of $254.7 million. Our current liabilities as of September 30, 2026 included a $50.0 million refund liability, representing the portion of the upfront payment under the RxSight-Alcon Collaboration Agreement that was refundable if the agreement was terminated within 120 days of its effective date. The 120-day period ended on October 28, 2026 without termination of the agreement, and such amount is no longer refundable. For the nine months ended September 30, 2026, and 2025, our losses from operations were $50.1 million and $36.9 million, respectively.

Funding requirements

Our future liquidity and capital funding requirements will depend on numerous factors, including:

- our international expansion;

- our sales levels and our sales and marketing activities;
- the terms and timing of any collaborative, licensing or other arrangements that we have or may establish, including the RxSight-Alcon Collaboration Agreement;
- working capital investments, primarily in inventories and accounts receivable;
- our ability to raise additional funds or borrow to finance our operations;
- the outcome, costs and timing of any clinical trial results for our current or future products;
- the emergence and effect of competing or complementary products;
- our ability to maintain, expand, enforce and defend our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, maintenance, defense and enforcement of any patents or other intellectual property rights;
- our ability to retain our current employees and the need and ability to hire additional management, sales, research and development, scientific and customer support personnel;
- operating and finance lease payments for our facilities; and
- the extent to which we acquire or invest in businesses, products or technologies.

We believe that our current cash, cash equivalents and short-term investments through the date of filing of this report will be sufficient to fund our operations for at least the next 12 months. Although, based on our current planned operations, we do not anticipate the need to raise additional capital or incur additional debt, we may be required to raise additional capital through public or private equity offerings or debt financings, credit or loan facilities or by entering into partnerships or a combination of one or more of these funding sources in order to meet our liquidity requirements. If we determine that we need to raise additional funds, such capital may not be available to us when needed or on terms that we deem to be favorable. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we are unable to maintain sufficient financial resources, our business, financial condition and results of operations will be materially and adversely affected, including potentially requiring us to delay, limit, reduce or terminate certain of our product discovery and development activities or future commercialization efforts. If we raise additional funds by issuing equity securities, our stockholders may experience dilution.

See Part II, Item 1A ("Risk Factors") of this report for additional risks associated with our substantial capital requirements.

Summary statement of cash flows

The following table sets forth the primary sources and uses of cash, cash equivalents, and restricted cash for each of the periods presented below (in thousands):

	For the Nine Months Ended September 30, (unaudited)	
	2026	**2025**
Net cash (used in) provided by:		
Operating activities	$ 24,787	$ (14,395)
Investing activities	21,446	26,503
Financing activities	521	800
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	14	18
Net (decrease) increase in cash, cash equivalents and restricted cash	$ 46,768	$ 12,926

Cash used in operating activities

Net cash provided by operating activities for the nine months ended September 30, 2026, was $24.8 million, consisting primarily of a net loss of $44.2 million, add backs for stock based compensation and depreciation of $23.0 million and $2.8 million, respectively, and a change in operating assets and liabilities of $45.4 million, which included receipt of the $60.0 million upfront payment for the RxSight-Alcon Collaboration Agreement.

Net cash used in operating activities for the nine months ended September 30, 2025, was $14.4 million, consisting primarily of a net loss of $29.8 million and a change in operating assets and liabilities of $5.5 million, partially offset by non-cash stock-based compensation of $23.8 million and depreciation and amortization of $2.4 million.

Cash provided by investing activities

Net cash provided by investing activities for the nine months ended September 30, 2026, was $21.4 million, consisting of net maturities of short-term investments of $25.3 million and was partially offset by purchases of property and equipment of $3.9 million.

Net cash provided by investing activities for the nine months ended September 30, 2025, was $26.5 million, consisting of net maturities of short-term investments of $29.2 million and was partially offset by purchases of property and equipment of $2.7 million.

Cash provided by financing activities

Net cash provided by financing activities for the nine months ended September 30, 2026, was $0.5 million, consisting of proceeds from issuance of common stock of $1.0 million, partially offset by tax payments for employee stock compensation of $0.5 million.

Net cash provided by financing activities for the nine months ended September 30, 2025, was $0.8 million, consisting of proceeds from issuance of common stock from stock option exercises of $2.9 million, partially offset by tax payments for employee stock compensation of $2.1 million.

Critical accounting policies, significant judgments and use of estimates

Our management’s discussion and analysis of financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, which may affect our future financial statement presentation, financial condition, results of operations and cash flows. Our significant accounting policies are more fully described in the notes to our financial statements included in our Annual Report on Form 10-K filed with the SEC on February 25, 2026. We believe that the accounting policies we use are critical to the process of making significant judgments and estimates in the preparation of our financial statements and understanding and evaluating our reported financial results.

We believe that accounting policies we have identified as critical involve a greater degree of judgment and complexity than our other accounting policies. Accordingly, those are the policies we believe are the most critical to understanding and evaluating our consolidated financial condition and results of operations.

For a summary of our critical accounting policies and estimates, refer to “Management's Discussion and Analysis of Financial Condition and Results of Operations” included in our Annual Report on Form 10-K filed with the SEC on February 25, 2026. Other than as set forth below, there have been no material changes to our critical accounting policies and estimates during the three months ended September 30, 2026.

Impairment of long-lived assets

All long-lived assets are reviewed for impairment whenever circumstances such as events or changes in the business indicate that an asset or asset group’s carrying value may not be recoverable based on undiscounted future operating cash flows to be derived from their use. Factors that are considered important that could trigger an

impairment review include a current period operating or cash flow loss or a history of operating or cash flow losses and a projection or forecast that demonstrates continuing losses or insufficient income associated with the use of a long-lived asset or asset group. Other factors include a significant change in the manner of the use of the asset or a significant negative industry or economic trend. This evaluation is performed based on estimated undiscounted future cash flows from operating activities compared with the carrying value of the related assets. If the undiscounted future cash flows are less than the carrying value, an impairment loss is recognized, measured by the difference between the carrying value and the estimated fair value of the assets.

Fair value is determined primarily using the discounted cash flows expected to be generated from the use of assets. Significant management judgment is required in the forecast of future operating results that are used in the preparation of expected cash flows. Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of an asset group requires us to make assumptions and estimates regarding our future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax considerations, discount rates, growth rates, and other market factors. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, change, or if management's expectations or plans otherwise change, then our long-lived assets might become impaired in the future.

During the three months ended September 30, 2026, we identified indicators of potential impairment of its long-lived assets, including a sustained decline in its market capitalization and lower LDD sales volumes. We performed a recoverability test of its long-lived assets, which represent a single asset group, and concluded that the carrying amount was recoverable. As a result, no impairment was recorded.

Indemnification agreements

We enter into standard indemnification arrangements in the ordinary course of business. Pursuant to these arrangements, we indemnify, hold harmless and agree to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent or other intellectual property infringement, misappropriation or other violation claim by any third party with respect to our technology. The term of these indemnification agreements is generally perpetual any time after the execution of the agreement. The maximum potential amount of future payments we could be required to make under these arrangements is not determinable. We have never incurred costs to defend lawsuits or settle claims related to these indemnification agreements. As a result, we believe the fair value of these agreements is minimal.

Recent accounting pronouncements

See the section titled "Summary of Significant Accounting Policies—Recent Accounting Pronouncements" in Note 2 to our financial statements included elsewhere in this report for additional information.

Supply chain constraints and inflation

We rely on third parties, including single and sole source suppliers, to manufacture certain components and subcomponents of our products and to provide raw materials, primarily chemicals for our LAL. We do not have long-term supply agreements with, or guaranteed commitments from our suppliers, including single and sole source suppliers. We utilize purchase orders or blanket orders covering the medium term of 18–24 months for the majority of our supplier base. While we depend on our suppliers to provide us and our customers with materials in a timely manner that meet our and their quality, quantity and cost requirements, vendors will miss delivery dates, extend delivery dates or in some circumstances cancel purchase orders because these suppliers may encounter problems during manufacturing for a variety of reasons, any of which could delay or impede their ability to meet our demand. The expansion of global lead times has resulted in the lack of availability of raw materials, including semiconductors, computers, monitors electronic parts, metals, packaging, adhesives, chemicals, resins and subcontract painted components. Certain suppliers have passed on higher prices, surcharges and expedited shipping fees to defray the higher commodity prices they are paying due to short supply and pushed out delivery dates. Additionally, we identify and qualify new suppliers to mitigate risk due to single and sole source suppliers and to alleviate supply chain constraints we will identify and qualify new vendors or substitute components which requires testing, validations and documentation adding to internal costs and diverting engineering resources from other projects. While we have taken measures to mitigate business continuity risk, including increasing standard lead times, payment of expedite fees, issuance of a limited number of non-cancelable purchase orders, advance delivery of critical components ahead of normal delivery dates and second sourcing, our suppliers may cease producing the components we purchase from them or otherwise decide to cease doing business with us. Any supply interruption

from our suppliers or failure to obtain additional suppliers for any of the components or subcomponents used in our products would limit our ability to manufacture our current and new products and could have a material adverse effect on our business, financial condition and results of operations.

Uncertain macroeconomic conditions including recent inflationary pressures and tariffs have created significant uncertainty in the U.S. economy and capital markets, which may continue through the remainder of 2026 and beyond and could negatively impact our financial results and liquidity.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks in the ordinary course of our business. Market risk is the potential loss arising from the adverse changes in market rates and prices.

Interest Rate Fluctuation Risk

We had cash and cash equivalents and short-term investments of $254.7 million as of September 30, 2026, which consisted of $10.8 million in cash and $243.9 million in highly liquid money market and U.S. Treasury securities with maturities of twelve months or less. The primary goals of our investment policy are liquidity and capital preservation. We do not enter into investments for trading or speculative purposes. We believe that we do not have any material exposure to changes in the fair value of these assets as a result of changes in interest rates due to the short-term nature of our cash and cash equivalents and short-term investments. A hypothetical 1.00% (100 basis points) change in interest rates would not have materially impacted the fair value of our marketable securities as of September 30, 2026 and December 31, 2025. If overall interest rates had increased or decreased by 1.00% (100 basis points), our interest income would not have been materially affected during the quarter ended September 30, 2026 or September 30, 2025.

Foreign Currency Exchange Risk

As of September 30, 2026, we have de minimis amounts of revenue and expenses that are denominated in currencies other than U.S. dollars.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of September 30, 2026, our management, with the participation and supervision of our principal executive officer and our principal financial officer, evaluated our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2026. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company 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. Disclosure controls and procedures include, without limitation, controls and procedures 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 accumulated and communicated to the Company’s management, including its principal executive and principal financial officers, 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.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Control systems, no matter how well conceived and operated, are designed to provide a reasonable, but not an absolute, level of assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to

their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in any control system, misstatements due to error or fraud may occur and not be detected.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in various claims and legal proceedings. Regardless of outcome, litigation and other legal and administrative proceedings can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Securities Class Actions

On July 22, 2025, a putative securities class action complaint was filed in the U.S. District Court for the Central District of California against the Company and certain of its officers, captioned Makaveev v. RxSight, Inc., et al., No. 8:25-cv-01596. The lawsuit asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC Rule 10b-5, alleging that the defendants made materially false and misleading statements and omitted material adverse facts regarding demand for our products and financial guidance. On September 16, 2025, a related putative securities class action complaint was filed in the U.S. District Court for the Central District of California against us and certain of our officers, captioned Gémesi v. RxSight, Inc., et al., No. 8:25-cv-02093. On October 6, 2025, the court entered an order consolidating the Makaveev and Gémesi actions, appointing a lead plaintiff and approving selection of lead counsel, and re-captioning the case as In re RxSight Securities Litigation, No. 8:25-cv-01596-FWS-KES. A consolidated, amended complaint was filed on December 12, 2025. Defendants' motion to dismiss was filed on February 13, 2026. On May 21, 2026, the Court issued an order denying Defendants' motion to dismiss. On June 9, 2026, Defendants filed their answer to the amended complaint. Discovery is ongoing. The plaintiffs seek unspecified compensatory and punitive damages, and reasonable costs and expenses, including attorneys' fees.

Shareholder Derivative Actions

On August 18, 2025, a shareholder derivative action was filed in the U.S. District Court for the Central District of California against certain of our officers and directors, captioned Swift v. Kurtz, et al., Case No. 8:25-cv-01820-FWS-KES. The plaintiff purports to bring the action derivatively on behalf of us, and we are named as a nominal defendant. The complaint generally alleges that the defendants made false and misleading statements and omitted material adverse facts regarding declining sales, demand for our products, and financial guidance, and we lacked internal controls. The complaint asserts claims for alleged violations of Section 14(a) of the Exchange Act, as well as claims for alleged breaches of fiduciary duties, aiding and abetting, unjust enrichment, and waste of corporate assets. The complaint seeks unspecified damages on behalf of the Company, declaratory relief, a constructive trust, punitive damages, and an award of costs and expenses, including attorneys' fees. On October 2, 2025, the court entered an order staying proceedings in the Swift action until a final resolution of the Securities Class Actions, including the exhaustion of any appeals.

On October 10, 2025, a related shareholder derivative action was filed in the U.S. District Court for the Central District of California against certain of our officers and directors, captioned Yost v. Kurtz, et al., Case No. 8:25-cv-2295. The complaint asserts claims for alleged breaches of fiduciary duties, gross mismanagement, waste of corporate assets, unjust enrichment, aiding and abetting, insider trading, and alleged violations of Section 14(a) of the Exchange Act and seeks unspecified damages on behalf of us, declaratory relief, disgorgement, corporate governance reforms, and an award of costs and expenses, including attorneys' fees.

On November 13, 2025, the Court entered an order consolidating the Swift and Yost actions and staying the consolidated derivative action until the final resolution of the Securities Class Actions, including the exhaustion of any appeals.

While it is too early to predict the outcome of the litigation or a reasonable range of potential losses and whether an adverse result would have a material adverse impact on our results of operations or financial position, we believe we have meritorious defenses, vehemently deny the allegations and intend to defend the case vigorously. Failure to obtain a favorable resolution of this lawsuit could have a material adverse effect on our business, results of operations and financial condition.

Item 1A. Risk Factors

We operate in a rapidly changing environment that involves numerous uncertainties and risks. In addition to the other information included in this report, the following risks and uncertainties may have a material and adverse effect on our business, financial condition, results of operations, or stock price. You should consider these risks and uncertainties carefully, together with all of the other information included or incorporated by reference in this report. The risks and uncertainties described below may not be the only ones we face. If any of the risks or uncertainties we face were to occur, the trading price of our securities could decline, and you may lose all or part of your investment. This report also contains forward-looking statements that involve risks and uncertainties. See the section titled "Special Note Regarding Forward-Looking Statements" appearing elsewhere in this report. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of factors that are described below and elsewhere in this report.

Summary Risk Factors

The following risks and uncertainties are among the most significant we face. However, the risks and uncertainties identified in this subsection are not the only ones we face and are qualified in their entirety by reference to all of the risk factors described herein:

Risks related to our business and products:

- If we fail to effectively train our sales force, increase our sales and marketing capabilities, or develop broad brand awareness in a cost-effective manner, our growth will be impeded, and our business will suffer.
- We have a history of net losses, and we expect to continue to incur losses in the future. If we ever achieve profitability, we may not be able to sustain it.
- To support our continued operations and the growth of our business, we may seek to raise additional capital, which may not be available to us on acceptable terms, or at all.
- Our success depends in large part on our RxSight system. If we are unable to successfully market and sell our RxSight system, our business prospects will be significantly harmed, and we may be unable to achieve revenue growth.
- We face significant competition, and if we are unable to compete effectively, we may not be able to achieve or maintain significant market penetration or improve our results of operations.
- We have commenced and intend to expand in the future, sales of our products internationally, but we may experience difficulties in obtaining regulatory clearance or approval or in successfully marketing our products internationally even if approved.
- A variety of risks associated with marketing our products internationally could materially adversely affect our business.
- Global economic, political and market conditions, including downgrades of the U.S. credit rating, may adversely affect our business, results of operations and financial condition, including our revenue growth and profitability.

Risks related to the RxSight-Alcon Collaboration Agreement:

- We are dependent on our collaboration with Alcon for the development and commercialization of products under the RxSight-Alcon Collaboration Agreement, and we have limited control over Alcon's performance under the collaboration.
- A substantial portion of the payments contemplated by the RxSight-Alcon Collaboration Agreement is contingent, and the agreement may be terminated before we realize its anticipated benefits.
- The RxSight-Alcon Collaboration Agreement requires us to prioritize the collaboration and development contemplated by the RxSight-Alcon Collaboration Agreement and restricts our ability to

develop and commercialize certain competing products and may require us to repay a portion of the amounts we receive from Alcon.

Risks related to intellectual property:

- If we are unable to obtain, maintain, protect and enforce patent and other intellectual property protection for our technology and products, or if the scope of the patent and other intellectual property protection obtained is not sufficiently broad, we may not be able to compete effectively in our markets.
- If we are unable to protect the confidentiality of our trade secrets and other proprietary information, our business and competitive position may be harmed.
- We may not be able to protect our intellectual property rights throughout the world, which could impair our business.

Risks related to government regulation:

- If we fail to obtain and maintain necessary regulatory clearances or approvals for our products, or if clearances or approvals for future products and indications are delayed or not issued, our commercial operations may be harmed.

Risks related to reliance on third parties:

- We depend upon third parties, including single and sole source suppliers, to manufacture certain components and subcomponents of the RxSight system, making us vulnerable to supply disruptions and price fluctuations.

Risks related to our common stock:

- The price of our stock may be volatile, and you could lose all or part of your investment.
- We do not know whether an active, liquid and orderly trading market will exist for our common stock or what the market price of our common stock will be and as a result it may be difficult for you to sell your shares of our common stock.

General risk factors:

- We must recruit, retain, manage and motivate qualified executives as we build out the management team, and we are highly dependent on our management team.
- Current and future litigation proceedings could adversely affect our business, including the putative securities class action complaint filed in July 2025 in the U.S. District Court for the Central District of California which is pending.

Risks related to our business and products

If we fail to effectively train our sales force, increase our sales and marketing capabilities or develop broad brand awareness in a cost-effective manner, our growth will be impeded, and our business will suffer.

If we are unable to establish or scale effective sales and marketing capabilities, or if we are unable to commercialize any of our products, we may not be able to generate sufficient product revenue, sustain revenue growth and compete effectively. In order to generate future growth, we plan to continue to expand and leverage our sales and marketing infrastructure to increase our customer base and grow our business.

Identifying and recruiting qualified sales and marketing personnel and training them on our products, applicable federal and state laws and regulations, and on our internal policies and procedures requires significant time, expense and attention. It often takes several months or more before a sales representative is fully trained and productive. Our business may be harmed if our efforts to expand and train our sales force do not generate a corresponding increase in revenue, or in the event we are unable to reduce costs in the face of an unexpected decline in demand for our products. Any failure to hire, develop and retain talented sales and marketing personnel, to achieve desired productivity levels in a reasonable timeframe or timely leverage our fixed costs could have a material adverse effect on our business, financial condition and results of operations. Moreover, the members of our direct sales force are at-will employees. The loss of these personnel to competitors or otherwise could materially harm our business. If we

are unable to retain our direct sales force personnel or replace them with individuals of equivalent technical expertise and qualifications, or if we are unable to successfully instill technical expertise in replacement personnel, our revenue and results of operations could be materially harmed.

Our ability to increase our customer base and achieve broader market acceptance of our products will also depend to a significant extent on our ability to expand our marketing efforts. Our business may be harmed if our marketing efforts and expenditures do not generate a corresponding increase in revenue. In addition, we believe that developing and maintaining broad awareness of our brand in a cost-effective manner is critical to achieving broad acceptance of our products and penetrating new customer accounts. Brand promotion activities may not generate patient or doctor awareness or increased revenue, and even if they do, any increase in revenue may not offset the costs and expenses we incur in building our brand. If we fail to successfully promote, maintain and protect our brand, we may fail to attract or retain the doctor acceptance necessary to realize a sufficient return on our brand building efforts, or to achieve the level of brand awareness that is critical for broad adoption of our products.

While sales declined in 2025 and through the third quarter of 2026 following several years of rapid growth, we have implemented changes in our sales organization in an effort to return to revenue growth in absolute dollars. In order to increase LAL use at our current customers, we recently realigned our commercial structure by unifying our LAL sales and clinical support personnel into a single Customer Success Organization. Each team within the Customer Success Organization is responsible for a defined group of doctors and practices, overseeing customer experience from initial onboarding through ongoing efforts to drive long-term utilization growth.

These factors also make it difficult for us to forecast our financial performance and growth, and such forecasts are subject to a number of uncertainties, including our ability to successfully develop additional products that add functionality, reduce the cost of products sold, and broaden our commercial portfolio offerings and our ability to obtain the required regulatory approvals and clearances under applicable law both domestically and internationally, including FDA 510(k) clearance or pre-market approval ("PMA"), to successfully commercialize, market and sell, our planned or future products in the U.S. or in international markets. If our assumptions regarding the risks and uncertainties we face, which we use to plan our business, are incorrect or change due to circumstances in our business or our markets, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations and our business could suffer.

We have a history of net losses, and we expect to continue to incur losses in the future. If we ever achieve profitability, we may not be able to sustain it.

We have incurred losses from operations since our inception and expect to continue to incur losses from operations in the future. We reported losses from operations of $48.2 million and $36.9 million for the years ended December 31, 2025 and 2024, respectively, and $50.1 million for the nine months ended September 30, 2026. As a result of these losses, as of September 30, 2026, we had an accumulated deficit of $705.2 million. We expect to continue to incur significant sales and marketing, research and development, regulatory and other expenses as we expand our marketing efforts to increase adoption of our products, expand existing relationships with our customers, obtain regulatory clearances or approvals for our planned or future products, conduct clinical trials on our existing and planned or future products and develop new products or add new features to our existing products.

The net losses that we incur may fluctuate from period to period. We will need to generate significant additional revenue in order to achieve and sustain profitability. Even if we achieve profitability, we cannot be sure that we will remain profitable for any substantial period of time.

In order to support our continued operations and the growth of our business, we may seek to raise additional capital, which may not be available to us on acceptable terms, or at all.

We expect capital expenditures and operating expenses to increase over the next several years as we continue to operate our business and expand our infrastructure, commercial operations and research and development activities. Our primary uses of capital are, and we expect will continue to be, investment in our commercial organization and related expenses, clinical research and development services, laboratory and related supplies, legal and other regulatory expenses, general administrative costs and working capital. In addition, we may in the future seek to acquire or invest in additional businesses, products, services or technologies that we believe could complement or expand our product portfolio, enhance our technical capabilities or otherwise offer growth opportunities.

Because of these and other factors, we expect to continue to incur net losses and negative cash flows from operations in the future. Our future liquidity and capital funding requirements will depend on numerous factors, including:

- our sales growth;
- our research and development efforts;
- our sales and marketing activities;
- our success in leveraging future strategic partnerships;
- working capital investments, primarily in inventories and accounts receivable;
- our ability to borrow or raise additional funds through future debt or equity offerings to finance our operations;
- the outcome, costs and timing of any clinical trial results for our current or future products;
- the emergence and effect of competing or complementary products;
- the availability and amount of reimbursement for procedures using our products;
- our ability to maintain, expand, enforce and defend our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, maintenance, defense and enforcement of any patents or other intellectual property rights;
- our ability to retain our current employees and the need and ability to hire additional management, sales, research and development, scientific and customer support personnel;
- the terms and timing of any collaborative, licensing or other arrangements that we have or may establish;
- operating and finance lease payments for our facilities; and
- the extent to which we acquire or invest in businesses, products or technologies.

If we determine that we need to raise additional funds, we may do so through equity or debt financings, which may not be available to us when needed or on terms that we deem to be favorable. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we are unable to maintain sufficient financial resources, our business, financial condition and results of operations will be materially and adversely affected, including potentially requiring us to delay, limit, reduce or terminate certain of our product discovery and development activities or future commercialization efforts.

Moreover, in the event that we enter into collaborations or licensing arrangements to raise capital, we may be required to accept unfavorable terms. These agreements may require that we relinquish or license to a third party on unfavorable terms our rights to products or technologies we otherwise would seek to develop or commercialize ourselves, or reserve certain opportunities for future potential arrangements when we might be able to achieve more favorable terms. We may be unable to raise additional funds or to enter into such agreements or arrangements on favorable terms, or at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the U.S. and worldwide resulting from the conflicts in Eastern Europe, the Middle East and otherwise.

As of September 30, 2026 and December 31, 2025, we had $254.7 million and $228.1 million, respectively, in cash, cash equivalents and short-term investments. While we believe that our existing cash, cash equivalents and short-term investments and anticipated cash generated from sales of our products will be sufficient to meet our anticipated cash needs for at least 12 months following the date of this report, there is no assurance that we will be able to generate sufficient liquidity as and when needed. Further, although we do not anticipate the need to raise

additional capital or incur additional debt in order to reach profit from operations, we may opportunistically seek to raise capital under advantageous circumstances from time to time in order to support the expansion of our sales and operations in the U.S. and internationally and to pursue other business opportunities. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Changing circumstances, some of which may be beyond our control, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned. There is no assurance that we will be able to generate sufficient liquidity as and when needed.

We are dependent on our collaboration with Alcon for the development and commercialization of the Collaboration Products, and we have limited control over Alcon's performance under the collaboration.

In June 2026, we entered into a License, Collaboration and Development Agreement (the "RxSight-Alcon Collaboration Agreement") with Alcon Pharmaceuticals, Ltd. ("Alcon"), pursuant to which we agreed to collaborate with Alcon to develop and commercialize light-adjustable versions of certain Alcon simultaneous vision intraocular lenses that incorporate our Light Adjustable Technology™ (the "Collaboration Products"). Under the RxSight-Alcon Collaboration Agreement, Alcon is responsible for commercializing the Collaboration Products, subject to our right to co-promote upon the occurrence of certain triggering events, and following regulatory approval and payment of the applicable milestone, Alcon has agreed to use commercially reasonable efforts to launch each Collaboration Product in the U.S. within a specified period. As a result, the commercial success of the Collaboration Products will depend to a significant extent on Alcon rather than on us.

The efforts and resources that Alcon devotes to the collaboration are largely outside of our control, and Alcon's obligations may be difficult for us to monitor or enforce. Alcon is a large, diversified ophthalmic company with a broad portfolio of intraocular lenses, including products that may compete with the Collaboration Products, and Alcon may have strategic, financial, or commercial priorities that differ from ours. Alcon may determine the pricing, positioning, promotion, timing, and scope of any launch or commercialization of the Collaboration Products in ways that do not maximize, or that reduce, the royalties and other payments we may receive. In addition, Alcon could undergo a change of control, business combination, or shift in strategic focus that diverts resources away from the collaboration or creates competing priorities.

If Alcon does not perform its obligations as we expect, does not devote sufficient resources to the development or commercialization of the Collaboration Products, elects not to continue the collaboration at the points at which it has discretion to do so, or if a dispute arises between us and Alcon regarding our respective rights and obligations, the anticipated benefits of the collaboration may not be realized, may be delayed, or may cost more than we expect. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

A substantial portion of the payments contemplated by the RxSight-Alcon Collaboration Agreement is contingent, and the agreement may be terminated before we realize its anticipated benefits.

Although Alcon paid us a $60 million upfront payment in connection with executing the RxSight-Alcon Collaboration Agreement, a significant portion of the additional consideration contemplated by the agreement is contingent on future events, and certain of the most significant payments are payable only at Alcon's election. Alcon has the option, but is not obligated, to make a $70 million Feasibility Milestone Payment upon completion of feasibility activities and achievement of specified technical criteria for the first Collaboration Product, and a $40 million Approval Milestone Payment upon regulatory approval of the first Collaboration Product. If Alcon elects not to make either payment, the RxSight-Alcon Collaboration Agreement will terminate, subject to our retaining certain reversionary rights with respect to the Collaboration Products under specified conditions. The remaining $30 million milestone is payable only upon our first submission to the FDA for regulatory approval of the first Collaboration Product, which is itself subject to substantial development and regulatory risk.

The RxSight-Alcon Collaboration Agreement is also subject to termination in a number of circumstances that could prevent us from realizing its anticipated value. Either party may terminate the agreement for material safety reasons, the other party's insolvency or violation of applicable law, or an uncured material breach. Following an initial term measured from regulatory approval of the first Collaboration Product, the agreement is subject to automatic renewal, but Alcon may elect not to renew for any reason, whereas our right to decline renewal is limited to circumstances in which Alcon fails to meet specified sales volumes during a defined period.

As a result of the contingent nature of these payments and the termination and non-renewal provisions described above, we may never receive a substantial portion of the payments contemplated by the RxSight-Alcon

Collaboration Agreement, and the payments we do receive may be materially lower, or realized materially later, than we currently anticipate. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

The RxSight-Alcon Collaboration Agreement restricts our ability to develop and commercialize certain competing products and may require us to repay a portion of the amounts we receive from Alcon.

The RxSight-Alcon Collaboration Agreement imposes restrictions on our ability to pursue certain products that we might otherwise choose to develop, manufacture, or commercialize. During the development phase of the Collaboration Products, we are obligated to prioritize the collaboration and development activities contemplated by the agreement, and we are restricted from developing, manufacturing, or commercializing certain defined types of hybrid-material simultaneous vision intraocular lenses that may compete with the Collaboration Products. These restrictions could prevent or delay us from pursuing independent product opportunities, including opportunities that could be more profitable to us than the collaboration or that could better position us against competitors, and could divert our research, development, and manufacturing resources toward the collaboration and away from other programs.

Following the development phase, if we elect, in our discretion, to develop or manufacture certain defined types of competing hybrid-material simultaneous vision intraocular lenses, we would become subject to adverse economic consequences under the agreement. These consequences include a reduction in the royalties payable to us by 60% or more, a suspension of Alcon's minimum royalty obligations upon commercialization of such products, and, under certain circumstances, an obligation to reimburse Alcon for a portion of the upfront and milestone payments previously received, ranging from a low double-digit to a high double-digit percentage depending on the timing of our commercial release of such products.

The prospect of these consequences may effectively deter us from developing or commercializing competing products even in circumstances where doing so would otherwise be in our commercial interest, and any obligation to reimburse Alcon for previously received payments could arise at a time when we have already deployed those funds, which could have a material adverse effect on our liquidity, business, financial condition and results of operations.

Global economic, political and market conditions, including downgrades of the U.S. credit rating, and inflation may adversely affect our business, results of operations and financial condition, including our revenue growth and profitability.

The current worldwide economic and financial environment, as well as various social and political tensions in the U.S. and around the world, may contribute to increased market volatility, may have long-term effects on the U.S. and worldwide financial markets and may cause economic uncertainties or deterioration in the U.S. and worldwide. The impact of downgrades by rating agencies to the U.S. government's sovereign credit rating or its perceived creditworthiness as well as potential government shutdowns could adversely affect the U.S. and global financial markets and economic conditions. U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns, or a recession in the U.S. In addition, disagreement over the federal budget has caused the U.S. federal government to shut down for periods of time, including shutdowns in late 2025 and early 2026, and may do so again in the future. Continued adverse political and economic conditions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Deterioration in the economic conditions globally has resulted in instability in global financial markets, including: inflation and rising interest rates and instability in the capital markets.

Various social and political circumstances in the U.S. and around the world (including wars and other forms of conflict, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health pandemics) may also contribute to increased market volatility and economic uncertainties or deterioration in the U.S. and worldwide and have a material adverse effect on our business, financial conditions, results of operations and prospects.

Additionally, the current inflationary environment may materially affect our business and operating results by increasing the costs of our supplies. Changes in U.S. Federal Reserve monetary policy, including fluctuations in interest rates, may increase our overhead costs, affect the availability and cost of capital, and contribute to volatility in our stock price. Rising interest rates could make it more difficult to obtain traditional financing on acceptable terms, if at all. Furthermore, such economic conditions have produced downward pressure on share prices. Although

we do not believe that inflation has had a material impact on our financial positions or results of operations to date, additional high inflation could increase our operating costs, including our labor costs and research and development costs. These costs may also be negatively impacted due to supply chain constraints, global geopolitical tensions, worsening macroeconomic conditions and employee availability and wage increases, which may result in additional stress on our working capital. We import certain materials and components from China and other countries which are or may become subject to tariffs, including tariffs imposed in 2025 and thereafter under evolving U.S. trade policy. Increases in tariffs, the imposition of new tariffs, or retaliatory trade measures, could result in increased costs and disrupt our supply chain.

Reduced consumer purchasing power and adverse economic conditions may reduce demand for our LALs and adversely affect our business, financial condition and results of operations.

A substantial portion of the cost associated with our LALs is paid by patients out of pocket. Although cataract surgery may be medically necessary, a patient's selection of a premium intraocular lens, including an LAL, is generally discretionary and may be influenced by the patient's financial circumstances, confidence in the economy and willingness to pay for perceived incremental benefits. Inflation, higher interest rates, unemployment, declining asset values, reduced access to credit, recessionary conditions or other adverse economic developments could reduce patients' disposable income and purchasing power and cause patients to defer cataract surgery, select a lower-cost conventional intraocular lens or decline the additional out-of-pocket cost associated with an LAL.

Because patients may view an LAL as a preference-sensitive purchase, demand for our products may be more susceptible to changes in consumer sentiment and economic conditions than demand for products and procedures that are fully reimbursed or viewed as non-discretionary. Economic pressures may also vary by geography and patient demographic and may disproportionately affect practices serving patients who are more sensitive to out-of-pocket costs. In addition, practices may respond to reduced patient demand by lowering the prices they charge for procedures involving our LALs, seeking price concessions from us, reducing their use of LALs or delaying or declining purchases of LDDs.

We cannot predict the timing, duration or severity of adverse economic conditions or their effect on patient purchasing decisions. A sustained or significant reduction in patients' purchasing power or willingness to pay for premium intraocular lenses could reduce procedure volumes and sales of our LALs, LDDs, accessories and services, increase pricing pressure and adversely affect our revenue, gross margins, business, financial condition and results of operations.

Changes in U.S. trade policy, including tariffs, could have a material adverse impact on our business, financial condition, and results of operations.

Changes in U.S. trade policy, including tariffs, could have a material adverse impact on our business, financial condition, and results of operations. The imposition of retaliatory or new tariffs or increases in existing tariffs on goods imported from countries where we source our products could result in increased material costs for our products. If we are unable to mitigate these risks through supply chain adjustments, such as changing vendors, pricing strategies, or other measures could adversely affect our gross margins, business, financial condition and results of operations.

We currently maintain all of our cash, cash equivalents and short-term investments in one financial institution and, therefore, our cash, cash equivalents and short-term investments could be adversely affected if the financial institution in which we hold our cash, cash equivalents and short-term investments fails.

We currently maintain all of our cash, cash equivalents and short-term investments with one financial institution. At the current time, our cash, cash equivalents and short-term investment balances with such financial institution are held primarily in U.S. treasury bills with a duration of less than 12 months. A portion of our operating cash is held in accounts in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits. The failure of the financial institution in which our cash, cash equivalents and short-term-investments are held, the resulting inability for us to obtain the return of our funds from that financial institution, or any other adverse condition suffered by the financial institution, could impact access to our operating cash and a temporary inability to access our short-term investments in U.S. treasury bills which could have an adverse effect on our business, financial condition and results of operations.

Our success depends in large part on our RxSight system. If we are unable to successfully market and sell our RxSight system, our business prospects will be significantly harmed, and we may be unable to achieve revenue growth.

Our future financial success will depend substantially on our ability to effectively and profitably market and sell our RxSight system to ophthalmic practices. The commercial success of our RxSight system and any of our planned or future products will depend on a number of factors, including the following:

- the actual and perceived effectiveness and reliability of our RxSight system, especially relative to alternative products;
- the prevalence and severity of any adverse patient events involving our RxSight system;
- the results of clinical studies and trials relating to our RxSight system;
- our ability to sustain meaningful clinical benefits for our patients;
- our ability to obtain regulatory approval to market our planned or future products for use in the U.S. or internationally;
- the availability, relative cost and perceived advantages and disadvantages of alternative technologies or treatment methods for conditions treated by our products;
- the degree of patient willingness to pay for the additional costs associated with our premium intraocular lens out of pocket or return for an additional two to three clinic visits compared to traditional cataract surgery;
- the degree to which doctors adopt our RxSight system;
- the fact that governmental and private health care providers and payors around the world are increasingly utilizing managed care for the delivery of health care services, centralizing purchasing, limiting the number of vendors that may participate in purchasing programs, forming group purchasing organizations and integrated health delivery networks and pursuing consolidation to improve their purchasing leverage and using competitive bid processes to procure health care products and services;
- our ability to obtain, maintain, protect and enforce our intellectual property rights in and to our RxSight system;
- the degree to which patients value the customized vision delivered by the RxSight system and are satisfied with their results;
- achieving and maintaining compliance with regulatory requirements applicable to our products;
- the extent to which we are successful in educating doctors about IOLs in general, and the benefits of our RxSight system;
- our reputation among doctors, patients, and the market;
- the strength of our marketing, clinical support, and commercial organization;
- the effectiveness of our marketing and sales efforts in the U.S., including our efforts to build out our sales and clinical team;
- our ability to expand the commercialization of our products into international markets;
- our ability to continue to develop, validate and maintain a commercially viable manufacturing process that is compliant with the QMSR, which went into effect in February 2026, and other applicable foreign, federal and state regulatory requirements;
- the success of our ongoing or future clinical trials; and
- whether we are required by the FDA or comparable non-U.S. regulatory authorities to conduct additional clinical trials for current or future indications.

If we fail to successfully market and sell our products, we will not be able to grow our revenue or achieve profitability, which will have a material adverse effect on our business, financial condition and results of operations. Our ability to grow our revenue in future periods will depend on our ability to successfully penetrate our target markets and increase sales of our RxSight system and any new product or product indications that we introduce, which will, in turn, depend in part on our success in growing our user base and driving increased use of our products. New products or product indications will also need to be approved or cleared by the FDA and comparable non-U.S. regulatory agencies in any international markets we target in order to commercialize them. If we cannot achieve revenue growth or achieve or sustain profitability, it could have a material adverse effect on our business, financial condition and results of operations.

Adoption of our products depends upon appropriate training for doctors, and inadequate training may lead to negative patient outcomes, affect adoption of our products and adversely affect our business.

The success of our products depends in part on our customers' adherence to appropriate patient selection and proper techniques provided in training sessions conducted by our training faculty. For example, we train our customers to ensure correct use of our RxSight system. However, doctors rely on their previous medical training and experience, and we cannot guarantee that all such doctors will have the necessary skills or training to effectively utilize our products. We do not control which doctors use our products or how much training they receive, and doctors who have not completed our training sessions may nonetheless attempt to use our products. In addition, doctors may use our products in a manner that is not consistent with their labeled indications for which no training is available. If doctors use our products in a manner that is inconsistent with their labeled indications, with components that are not compatible with our products or otherwise without adhering to or completing our training sessions, their patient outcomes may not be consistent with the outcomes achieved by other doctors or in our clinical trials. This result may negatively impact the perception of patient benefit and safety and limit adoption of our products, which would have a material adverse effect on our business, financial condition and results of operations.

The commercial success of our RxSight system will depend upon attaining significant market acceptance of these products among patients and doctors.

Our success will depend, in part, on the acceptance of our RxSight system as safe, effective and, with respect to doctors, cost-effective. We cannot predict how quickly, if at all, patients, doctors, or payors will accept our RxSight system or, if accepted, how frequently it will be used. Our RxSight system and planned or future products we may develop or market may never gain broad market acceptance for some or all of our targeted indications. Patients and doctors must believe that our products offer benefits over alternative treatment methods. To date, a substantial majority of our product sales and revenue have been derived from current customers that have adopted our RxSight system. Our future growth and profitability largely depend on our ability to increase other doctors' awareness of our RxSight system and our products and on the willingness of doctors and patients to adopt them. These parties may not adopt our products like our current customers have unless they are able to determine, based on experience, clinical data, medical society recommendations and other analyses, that our products are safe, effective and, with respect to providers, cost-effective, on a stand-alone basis and relative to competitors' products. Patients and doctors must believe that our products offer benefits over alternative treatment methods. Even if we are able to raise awareness, doctors tend to be slow in changing their medical treatment practices and may be hesitant to select our products for recommendation to their patients for a variety of reasons, including:

- long-standing relationships with competing companies and distributors that sell other products;
- competitive response and negative selling efforts from providers of alternative products;
- lack of experience with our products and concerns that we are relatively new to market;
- lack or perceived lack of sufficient clinical evidence, including long-term data, supporting safety or clinical benefits;
- time commitment and skill development that may be required to gain familiarity and proficiency with our products;
- patient confusion regarding the wide range of commercially available premium IOL offerings and their ability to deliver promised results at near, middle and far distances without reliance on glasses;
- patient reticence to select a premium IOL due to nonperformance and adverse side effects associated with competing products in the market;

- patient non-compliance with the RxSight system requirement to wear protective glasses following surgery until the LAL is locked to avoid UV exposure and an unintended change to the LAL, resulting in patient dissatisfaction with the results and possible need to remove the LAL; and
- an inability to generate patient referral due to dissatisfaction with results obtained through treatment with our products, the out-of-pocket cost of treatments using our products or otherwise.

In order for doctors to use our RxSight system, they often must make a significant up-front investment to purchase the LDD. This can result in a lengthy sales cycle and require extensive negotiations and management time. If we are unsuccessful in placing LDDs with providers, our sales growth may stall and our sales may decrease, and our operating results may be harmed.

Doctors play a significant role in determining the course of a patient's treatment, and, as a result, the type of treatment that will be utilized and provided to a patient. We focus our sales, marketing and education efforts primarily on doctors, and aim to educate referring doctors on the patient population that would benefit from our products. There is no assurance that we will achieve broad market acceptance among doctors.

For example, some doctors may choose to utilize our RxSight system on only a subset of their total patient population or may not adopt our RxSight system at all. If we are not able to effectively demonstrate that the use of our RxSight system is beneficial in a broad range of patients, adoption of our product will be limited and may not occur as rapidly as we anticipate or at all, which would have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that our products will achieve broad market acceptance among doctors. Additionally, even if our products achieve market acceptance, they may not maintain that market acceptance over time if competing products, procedures or technologies are considered safer or more cost-effective or otherwise superior. Any failure of our products to generate sufficient demand or to achieve meaningful market acceptance and penetration will harm our future prospects and have a material adverse effect on our business, financial condition and results of operations.

Our reputation among our current or potential customers, as well as among doctors, could also be negatively affected by safety or customer satisfaction issues involving us or our products, including product recalls. Future product recalls or other safety or customer satisfaction issues relating to our reputation could negatively affect our ability to establish or maintain broad adoption of our products, which would harm our future prospects and have a material adverse effect on our business, financial condition and results of operations.

Our RxSight system involves surgical risks and is contraindicated in certain patients, which may limit adoption.

Risks of using our products include those associated with cataract surgery and IOL implantation. There are also possible, but rare, complications due to the use of UV light from the LDD, including a temporary or long-lasting change to vision. We are aware of certain characteristics and features of our RxSight system that may prevent widespread market adoption, including the fact that doctors would need to adopt a new procedure, and training for doctors will be required to enable them to effectively operate our products.

We face significant competition, and if we are unable to compete effectively, we may not be able to achieve or maintain significant market penetration or improve our results of operations.

The IOL market is intensely competitive, subject to rapid change and is constantly impacted by new product introductions and other market activities of industry participants. We compete with manufacturers and distributors of premium and conventional IOLs. Our most significant competitors in the IOL field include Alcon, Johnson & Johnson and Bausch + Lomb, which all continue to develop and release new IOL products and technologies. Most of our competitors are large, well-capitalized companies with significantly greater market share and resources than we have. Therefore, they can spend more on product development, marketing, sales and other product initiatives than we can. We also compete with smaller medical device companies that have a single product or a limited range of products. In addition, patients who receive an LAL will be required to wear UV protective glasses until final lock-in which is approximately four to five weeks after surgery. They will also be required to return for an additional two to three clinic visits compared to traditional monofocal cataract surgery. The additional clinic visits are non-surgical but do require the patient's eyes to be dilated. Due to these additional requirements, market acceptance of the LAL may be impacted. We believe the principal competitive factors in our markets include:

- The quality of patient outcomes, oftentimes measured by visual acuity, and adverse event rates;
- Patient experience, including patient recovery time and level of discomfort;

- Acceptance by treating doctors and referral sources;
- Doctor learning curves and willingness to adopt new technologies, particularly during competitive launch periods;
- Ease-of-use and reliability;
- Economic benefits and cost savings to physicians and patients, including those resulting from free or inexpensive products distributed as part of competitive trialing, even if temporary;
- Strength of clinical evidence;
- Effective distribution and marketing to surgeons and potential patients; and
- Product price and qualification for coverage and reimbursement.
- We compete primarily on the basis that our products are designed to enable more doctors to treat more patients more efficiently and effectively. Our continued success depends on our ability to:
- continue to develop innovative, proprietary products that address significant clinical needs in a manner that is safe and effective for patients and easy-to-use for doctors;
- obtain and maintain regulatory clearances or approvals;
- demonstrate safety and effectiveness in our sponsored and third-party clinical trials;
- expand our sales and clinical teams across key markets to increase doctors' awareness;
- obtain and maintain coverage and adequate reimbursement for procedures using our products;
- attract and retain skilled research, development, sales and clinical personnel;
- cost-effectively manufacture, market and sell our products;
- provide doctors with a sufficient return on investment as compared to alternative premium IOL procedures that justifies the upfront cost of our LDD; and
- obtain, maintain, enforce and defend our intellectual property rights and operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others.

There is no assurance that we will be successful in developing new products or commercializing them in ways that achieve market acceptance. If we develop new products, sales of those products may reduce revenue generated from our existing products. Moreover, any significant delays in our product launches may significantly impede our ability to enter or compete in a given market and may reduce the sales that we are able to generate from these products. We may experience delays in any phase of a product development, including during research and development, clinical trials, regulatory review, manufacturing and marketing. Delays in product introductions could have a material adverse effect on our business, financial condition and results of operations.

In addition, many medical device companies are consolidating to create new companies with greater market power. As the medical device industry consolidates, competition to provide goods and services to industry participants will become more intense. These industry participants may try to use their market power to negotiate price concessions or reductions for our products. If we reduce our prices because of consolidation in the healthcare industry, our revenue may decrease, which could have a material adverse effect on our business, financial condition and results of operations.

Our collaboration with Alcon, and any collaboration or partnership arrangements that we may enter into in the future, may not be successful, which could adversely affect our ability to develop and commercialize our products.

In June 2026, we entered into the RxSight-Alcon Collaboration Agreement, and we may enter into additional collaboration or partnership arrangements in the future. Our existing collaboration with Alcon and any future

collaborations may not be successful. The success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborators. Collaborations are subject to numerous risks, which may include that:

- collaborators have significant discretion in determining the efforts and resources that they will apply to collaborations;
- collaborators may not pursue development and commercialization of our products or may elect not to continue or renew development or commercialization programs based on clinical trial or test results, changes in their strategic focus due to the acquisition of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our current and future products;
- a collaborator with marketing, manufacturing and distribution rights to one or more products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities;
- we could grant exclusive rights to our collaborators that would prevent us from collaborating with others;
- collaborators may not properly maintain or defend the rights to our intellectual property, including intellectual property arising from the RxSight-Alcon Collaboration Agreement, 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;
- disputes may arise between us and a collaborator that causes the delay or termination of the research, development or commercialization of our current or future products or that results in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated, and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable current or future products;
- collaborators may own or co-own intellectual property covering our products that results from our collaborating with them, and in such cases, we would not have the exclusive right to develop or commercialize such intellectual property; and
- a collaborator’s sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings.

If our facilities become damaged or inoperable, or if we are required to vacate a facility, we may be unable to manufacture our products or we may experience delays in production or an increase in costs, which could adversely affect our results of operations.

We currently maintain our research and development, manufacturing and administrative operations in Aliso Viejo, California, and we do not have redundant facilities. We operate in five separate facilities, designated as a single manufacturing facility, and should any one of these facilities be significantly damaged or destroyed by natural or man-made disasters, such as earthquakes, and/or fires (both of which are prevalent in California) or other events, it could take months to relocate or rebuild, during which time our employees may seek other positions, our research, development and manufacturing would cease or be delayed and our products may be unavailable. A major interruption in the manufacturing operations at this facility would materially impact our ability to operate. Because of the time required to authorize manufacturing in a new facility under federal, state and non-U.S. regulatory requirements, we may not be able to resume production on a timely basis even if we are able to replace production capacity. While we maintain property and business interruption insurance, such insurance has limits and would not cover all damages, including losses caused by earthquakes or losses we may suffer due to our products being replaced by competitors' products. The inability to perform our research, development and manufacturing activities if our facilities become inoperable, combined with our limited inventory of materials and components and manufactured products, may cause doctors to discontinue using our products or harm our reputation, and we may be unable to re-establish relationships with such doctors in the future. Consequently, a catastrophic event at our current facility or any future facilities could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, the current leases on our facilities expire on January 31, 2031, with two options to extend for five years each. We may be unable to renew our leases or find a new facility on commercially reasonable terms, or at all. If we are unable or unwilling to renew at the proposed rates, relocating our manufacturing facility would involve significant expense in connection with the movement and installation of key manufacturing equipment and any necessary recertification with regulatory bodies, and such a move could delay or otherwise adversely affect our manufacturing activities or operating results. If our manufacturing capabilities were impaired by any such move, we may not be able to manufacture and ship our products in a timely manner, which would adversely impact our business.

Technological change may adversely affect sales of our products and may cause our products to become obsolete.

The IOL market is characterized by extensive research and development and rapid technological change. There can be no assurance that other companies, including current competitors or new entrants, will not succeed in developing or marketing products that are more effective than our products or that would render our products obsolete or noncompetitive. Additionally, new surgical procedures, medications and other therapies could be developed that replace or reduce the importance of our products. If we are unable to innovate successfully, our products could become obsolete and our revenue would decline as our customers purchase our competitors' products. Our failure to develop new products, applications or features could result from insufficient cash resources, employee turnover, inability to hire personnel with sufficient technical skills or replace key personnel, a lack of other research and development resources or other constraints. Our failure or inability to devote adequate research and development resources or compete effectively with the research and development programs of our current or future competitors could have a material adverse effect on our business, financial condition and results of operations.

Uncertainties with respect to the development, deployment, and use of artificial intelligence in our business and products may result in harm to our business and reputation.

We are in the early stages of incorporating artificial intelligence ("AI") into certain of our business activities, including research and development, and our product and service offerings. As with many innovations, AI presents risks and challenges that could adversely impact our business. The development, adoption, and use of AI technologies are still in their early stages and ineffective or inadequate AI development or deployment practices could result in unintended consequences. For example, AI algorithms may be flawed or may be based on datasets that are biased or insufficient. AI-generated outputs may also be inaccurate, incomplete, misleading or difficult to reproduce or validate, and reliance on such outputs without appropriate human review and oversight could result in errors, delays or additional costs in our research and development or other business activities. In addition, any disruption or failure in the AI functionality we incorporate into our business activities, products or services could adversely impact our business or result in delays or errors in our offerings. Conversely, a failure to timely and effectively use or deploy AI and integrate it into new product offerings and services could negatively impact our competitiveness, particularly ahead of evolving industry trends and evolving consumer demands. We may be unable to devote adequate financial resources to develop or acquire new AI technologies and systems in the future. Use of AI to improve internal business operations, or in the development or provision of products or services, poses risks and challenges, including risks relating to the protection of confidential information and personal data, cybersecurity, intellectual property ownership and infringement, compliance with applicable quality-system and regulatory requirements, and reliance on third-party AI providers. There also may be real or perceived social harm, unfairness, or other outcomes that undermine public confidence in the use and deployment of AI. Any of the foregoing may result in decreased demand for our products or harm to our business, financial statements or reputation. The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including in the areas of intellectual property, cybersecurity and privacy and data protection. Compliance with new or changing laws, regulations or industry standards relating to AI may impose significant costs and may limit our ability to develop, deploy or use AI technologies. Failure to appropriately respond to this evolving landscape or identify and manage the risks associated with our use of AI may result in legal liability, regulatory action, delays in our product development efforts or regulatory submissions, harm to our intellectual property rights, or brand and reputational harm.

Results of earlier studies may not be predictive of future clinical trial results, and planned studies may not establish an adequate safety or efficacy profile for our RxSight system and other planned or future products, which would affect market acceptance of our RxSight system.

Because our RxSight system technology is a relatively new treatment to optimize vision after cataract surgery, we have performed clinical trials only with limited patient populations. The long-term effects of using our products in a large number of patients have not been studied and the results of short-term clinical use of such products do not necessarily predict long-term clinical benefits or reveal long-term adverse effects. The results of preclinical studies and clinical trials of our products conducted to date and ongoing or future studies and trials of our current, planned or future products may not be predictive of the results of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Our interpretation of data and results from our clinical trials do not ensure that we will achieve similar results in future clinical trials in other patient populations. In addition, preclinical and clinical data are often susceptible to various interpretations and analyses, and many companies that have believed their products performed satisfactorily in preclinical studies and earlier clinical trials have nonetheless failed to replicate results in later clinical trials and subsequently failed to obtain marketing approval. Products in later stages of clinical trials may fail to show the desired safety and efficacy despite having progressed through nonclinical studies and earlier clinical trials.

If our clinical trials are unsuccessful or significantly delayed, or if we do not complete our clinical trials, our business may be harmed.

Clinical development is a long, expensive and uncertain process and is subject to delays and the risk that products may ultimately prove unsafe or ineffective in treating the indications for which they are designed. We are currently engaged in post-market clinical trials of our RxSight system. Completion of clinical trials may take several years or more. Clinical trials can be delayed for a variety of reasons, including delays in obtaining regulatory approval to commence a trial, in reaching an agreement on acceptable clinical trial terms with prospective sites, in obtaining institutional review board approval at each site, in recruiting patients to participate in a trial or in obtaining sufficient supplies of clinical trial materials. We cannot provide any assurance that we will successfully, or in a

timely manner, enroll our clinical trials, that our clinical trials will meet their primary endpoints or that such trials or their results will be accepted by the FDA or foreign regulatory authorities.

We may experience numerous unforeseen events during, or because of, the clinical trial process that could delay or prevent us from receiving regulatory clearance or approval for new products, modifications of existing products, or new indications for existing products, including:

- successful and timely completion of nonclinical studies or clinical development of our products, as well as the associated costs, including any unforeseen costs we may incur as a result of clinical trial delays;
- enrollment in our clinical trials may be slower than we anticipate, or we may experience high screen failure rates in our clinical trials, resulting in significant delays;
- our clinical trials may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical and/or preclinical testing which may be expensive and time-consuming;
- clinical trial results may not meet the level of statistical significance required by the FDA or other regulatory authorities;
- the FDA or similar foreign regulatory authorities may find that one or more of our products is not sufficiently safe for investigational use in humans or may interpret data from preclinical testing and clinical trials in different ways than we do;
- there may be delays or failure in obtaining approval of our clinical trial protocols from the FDA or other regulatory authorities;
- there may be delays in obtaining institutional review board approvals or governmental approvals to conduct clinical trials at prospective sites;
- the FDA or similar foreign regulatory authorities may find that one or more of our products is not sufficiently safe for investigational use in humans or may interpret data from preclinical testing and clinical trials in different ways than we do;
- the FDA or similar foreign regulatory authorities may change their review policies or adopt new regulations that may negatively affect or delay our ability to bring a product to market or receive approvals or clearances to treat new indications;
- we may have trouble in managing multiple clinical trial sites; or
- we may have trouble finding patients to enroll in our clinical trials;
- we may experience delays in agreeing on acceptable terms with third-party research organizations and clinical trial sites that may help us conduct the clinical trials; and
- we, or regulators, may suspend or terminate our clinical trials because the participating patients are being exposed to unacceptable health risks.

Failures or perceived failures in our clinical trials will delay and may prevent our product development and regulatory approval process, damage our business prospects and negatively affect our reputation and competitive position.

Unauthorized third parties may seek to access our devices or other products and services, or related devices, products, and services, and modify or use them in a way inconsistent with our FDA clearances and approvals, which may create risks to users.

Medical devices are increasingly connected to the internet, hospital networks, and other medical devices to provide features that improve healthcare and increase the ability of healthcare providers to treat patients and patients to manage their conditions. Although disabled, our RxSight system is capable of bidirectional connectivity and interoperability with other devices, local networks and the internet, which if enabled, may increase cybersecurity risks and the risks of unauthorized access and use by third parties. For example, unauthorized third parties may seek to access our devices or other products and services, or related devices, products, and services, and modify or use

them in a way inconsistent with our FDA clearances and approvals, which may create risks to users and potential exposure to the company.

Our IT systems, contractors or consultants or potential future collaborators, may fail or suffer actual or suspected security or privacy breaches or incidents or other unauthorized or improper access to, use of, or destruction of our proprietary or confidential data, employee data, or personal data, which could result in additional costs, loss of revenue, significant liabilities, harm our brand and cause material disruption to our operations.

We rely upon the capacity, reliability and security of our information technology infrastructure and our ability to expand and continually update this infrastructure in response to our business needs. In some cases, we rely upon third-party hosting and support services to meet these needs. The internet has experienced increasingly sophisticated and damaging threats in the form of phishing emails, malware, malicious websites, ransomware, exploitation of application vulnerabilities, and nation-state attacks. It is also becoming more common for these attacks to leverage previously unknown vulnerabilities, and new and evolving technologies, including artificial or super intelligence, may facilitate the identification and exploitation of such vulnerabilities. The growing and evolving cyber-risk environment means that individuals, companies, and organizations of all sizes, including ourselves, our customers, suppliers and our hosting and support partners, are increasingly vulnerable to attacks and disruptions on their networks and systems by a wide range of actors on an ongoing and regular basis.

For example, as previously disclosed, in May 2024, an unauthorized actor targeted the personal cell phone number of an RxSight employee. The unauthorized actor obtained unauthorized access to the employee's cloud-based work account and to e-mails and files that were accessible from that account. We discovered the incident on the same day and were able to prevent interruption of our information systems, and they remained operational during this unauthorized access. This incident did not have a material impact on our operations, financial systems, or financial condition. However, there can be no assurance that a similar incident would not have a future material impact on our operations, financial systems, or financial condition and we remain subject to various risks due to the incident.

We maintain information security tools and technologies, staff, policies and procedures for managing risk to our networks and information systems, and conduct employee training on cybersecurity designed to mitigate persistent and continuously evolving cybersecurity threats. Our network security controls are comprised of administrative, physical and technical controls, which include, but are not limited to, the implementation of firewalls, anti-virus protection, patches, log monitors, routine backups, off-site storage, network audits and other routine updates and modifications. We also routinely monitor and develop our internal information technology systems to address risks to our information systems. Any system failure, accident or security breach or incident could result in disruptions to our business processes, network degradation, and system down time, along with the potential that a third-party will gain unauthorized access to, acquire, or otherwise use, modify, or process intellectual property, proprietary business information, and data related to our employees, customers, suppliers, and business partners, including personal data, in an unauthorized manner. Any disruption, degradation, or other security breach, incident, or other event that results in loss or unavailability of or damage to our data or systems, system downtime or other disruptions, or in inappropriate disclosure or other processing of confidential or personal data, could adversely impact us and our customers, potentially resulting in, among other things, financial losses, loss of customers or business, our inability to transact business, adverse impact on our reputation, actual or alleged violations of applicable privacy, data protection, security and other laws, regulatory fines, penalties, litigation, reputational damage, reimbursement, or additional compliance and regulatory costs. We may also incur additional costs related to cybersecurity risk management and remediation.

Despite the implementation of security measures in our efforts to protect systems that store our information, given their size and complexity and the increasing amounts of information maintained on our internal information technology systems and external processing and storage systems (e.g., hosting), contractors and consultants and other third-party service providers, these systems are potentially vulnerable to breakdown or other damage or interruption. Our systems and the systems of third parties who support our operations are vulnerable to service interruptions, system malfunction, natural disasters, terrorism, war (such as the ongoing conflicts in the Middle East and between Ukraine and Russia) and telecommunication and electrical failures, as well as security breaches and incidents arising from or caused by inadvertent or intentional actions by our employees, contractors, consultants, business partners, and/or other third parties, or from cyber-attacks by malicious third parties (including the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information), which may compromise our system infrastructure or lead to unauthorized access to or disruption of our or third-party systems used in our business and the unauthorized access to, misuse, disclosure, loss, destruction, alteration or dissemination of, or damage to, our data, including trade secrets or other confidential information, intellectual property, proprietary business information, and personal information. For example, companies have experienced an increase in phishing and social engineering attacks from third parties in recent years. Our employees generally work in a hybrid model in our offices and from home, and we may need to adjust our working model from time to time. As a result, we have increased cybersecurity and data security risks, due to increased use of home wi-fi networks and virtual private networks, as well as increased disbursement of physical machines.

Any disruption, security incident, or security breach resulting in any loss, destruction, unavailability, alteration or dissemination of, or damage to, our data, could subject us to significant fines or penalties for any noncompliance with certain state, federal and/or international laws relating to privacy, data protection, and information security. Litigation and governmental investigations could force us to spend money in defense or settlement, divert management's time and attention, increase our costs of doing business, and/or adversely affect our reputation. There can be no assurance that we or our service providers, if applicable, will not suffer losses relating to cyber-attacks or security breaches or incidents in the future or that our insurance coverage will be adequate to cover all the costs resulting from such events. No assurances can be given that our efforts to reduce the risks of, or to detect, such attacks, breaches or incidents that occur will be successful and our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

We may expend our limited resources to pursue a particular product or indication and fail to capitalize on products or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on specific products and indications. As a result, we may forgo or delay pursuit of other opportunities with others that could have had greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs for specific indications or enhancements may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular potential product, we may relinquish valuable rights to that potential product through future collaborations, licenses and other similar arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such potential product.

We may not be able to develop, license or acquire new products, enhance the capabilities of our existing products to keep pace with rapidly changing technology and customer requirements or successfully manage the transition to new product offerings, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our success depends on our ability to develop, license or acquire and commercialize additional products and to develop new applications for our technologies in existing and new markets, while improving the performance and cost-effectiveness of our existing products, in each case in ways that address current and anticipated customer requirements. We intend to develop and commercialize additional products through our research and development program and by licensing or acquiring additional products and technologies from third parties. Our success is dependent upon several factors, including functionality, competitive pricing, ease of use, the safety and efficacy of our products and our ability to identify, select and acquire the rights to products and technologies on terms that are acceptable to us.

The medical device industry is characterized by rapid technological change and innovation. New technologies, techniques or products could emerge that might offer better combinations of price and performance or better address customer requirements as compared to our current or future products. Competitors, who may have greater financial, marketing and sales resources than we do, may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or customer requirements. Any new product we identify for internal development, licensing or acquisition may require additional development efforts prior to commercial sale, including extensive clinical testing and approval or clearance by the FDA and applicable foreign regulatory authorities. Due to the significant lead time and complexity involved in bringing a new product to market, we are required to make a number of assumptions and estimates regarding the commercial feasibility of a new product. These assumptions and estimates may prove incorrect, resulting in our introduction of a product that is not competitive at the time of launch. We anticipate that we will face increased competition in the future as existing companies and competitors develop new or improved products and as new companies enter the market with new technologies. Our ability to mitigate downward pressure on our selling prices will be dependent upon our ability to maintain or increase the value we offer to doctors as well as payors. All new products are prone to the risks of failure inherent in medical device product development, including the possibility that the product will not be shown to be sufficiently safe and effective for approval or clearance by regulatory authorities. In addition, there is no assurance that any such products that are approved or cleared will be manufactured or produced economically, successfully commercialized or widely accepted in the marketplace. The expenses or losses associated with unsuccessful product development or launch activities, or a lack of market acceptance of our new products, could adversely affect our business, financial condition and results of operations.

Our ability to attract new customer accounts depends in large part on our ability to enhance and improve our existing products and to introduce compelling new products. The success of any enhancement to our products depends on several factors, including adoption and continued use by doctors, competitive pricing and overall market acceptance. Any new product that we develop may not be introduced in a timely or cost-effective manner, may contain defects or may not achieve the market acceptance necessary to generate significant revenue. If we are unable to successfully develop, license or acquire new products, enhance our existing products to meet customer requirements or otherwise gain market acceptance, our business, financial condition and results of operations would be harmed.

The typical development cycle of new medical device products can be lengthy and complicated and may require complex technology and engineering. Such developments may involve external suppliers and service providers, making the management of development projects complex and subject to risks and uncertainties regarding timing, timely delivery of required components or services and satisfactory technical performance of such components or assembled products. If we do not achieve the required technical specifications or successfully manage new product development processes, or if development work is not performed according to schedule, then such new technologies or products may be adversely impacted, and our business and operating results may be harmed.

If we fail to identify, acquire and develop other products, we may be unable to grow our business.

As a significant part of our growth strategy, we intend to develop and commercialize additional products through our research and development program or by licensing or acquiring additional products and technologies from third parties. The success of this strategy depends upon our ability to identify, select and acquire the right to products and technologies on terms that are acceptable to us.

Any product we identify, license or acquire may require additional development efforts prior to commercial sale, including extensive clinical testing and approval or clearance by the FDA and applicable foreign regulatory authorities. All products are prone to the risks of failure inherent in medical device product development, including the possibility that the product will not be shown to be sufficiently safe and effective for approval or clearance by regulatory authorities. In addition, there is no assurance that any such products that are approved or cleared will be manufactured or produced economically, successfully commercialized or widely accepted in the marketplace.

Proposing, negotiating and implementing an economically viable product or technology acquisition or license is a lengthy and complex process. Other companies, including those with substantially greater financial, marketing and sales resources, may compete with us for the acquisition or license of approved or cleared products. We may not be able to acquire or license the rights to additional approved or cleared products on terms that we find acceptable, or at all.

If we are unable to develop suitable potential products through internal research programs or by obtaining rights from third parties, it could have a material adverse effect on our business, financial condition and results of operations.

We may acquire other companies or technologies, which could fail to result in a commercial product or increased revenue, divert our management's attention, result in additional dilution to our stockholders and otherwise disrupt our operations and harm our operating results.

We may seek to acquire or invest in businesses, applications or technologies that we believe could complement or expand our portfolio, enhance our technical capabilities or otherwise offer growth opportunities. However, there is no assurance that we would be able to successfully complete any acquisition we choose to pursue, or that we would be able to successfully integrate any acquired business, product or technology in a cost-effective and non-disruptive manner. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various costs and expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. We may not be able to identify desirable acquisition targets or be successful in entering into an agreement with any particular target or obtain the expected benefits of any acquisition or investment.

To date, the growth of our operations has been largely organic, and we have limited experience in acquiring other businesses or technologies. We may not be able to successfully integrate any acquired personnel, operations and technologies, or effectively manage the combined business following an acquisition. Acquisitions could also result in dilutive issuances of equity securities, the use of our available cash, or the incurrence of debt, which could harm our operating results. In addition, if an acquired business fails to meet our expectations, our operating results, business and financial condition may suffer.

Coverage and adequate reimbursement and/or the ability of patients to pay for the difference between the price charged by practices and the reimbursement amount may not be available for our products in sufficient markets, which could diminish our sales or affect our ability to sell our products.

In both U.S. and non-U.S. markets, our ability to successfully commercialize and achieve market acceptance of our products depends, in significant part, on the availability of adequate financial remuneration to doctor practices and surgical centers. This remuneration can come from a combination of sources, including third-party payors, such as Medicare and Medicaid programs in the U.S., managed care organizations and private health insurers. Third-party payors decide which treatments they will cover and establish reimbursement rates for those treatments. They also can preclude patients from paying extra to receive additional services, such as those associated with placement of premium IOLs. Depending on the country or region, our products are purchased by doctors who will then seek reimbursement from third-party payors and patients for the procedures performed using our products. Reimbursement systems and patient billing rules in international markets vary significantly by country and by region within some countries, and reimbursement and/or non-reimbursement approvals must be obtained on a country-by-country basis. In certain international markets, a product must be approved for reimbursement before it can be approved for sale in that country. Furthermore, many international markets have government-managed healthcare systems that control reimbursement for new devices and procedures, as well as the ability to charge patients directly for non-reimbursed devices and procedures. In most markets there are private insurance systems as well as government-managed systems.

While third-party payors in certain countries and regions currently cover and provide reimbursement for a portion of the cost of the procedures performed using our currently cleared or approved products, there is no assurance that these third-party payors will continue to provide coverage and adequate reimbursement or permit patient payment for the non-reimbursed portion sufficient to permit doctors to offer procedures using our products to patients requiring treatment. If sufficient coverage and reimbursement or flexibility to enable patient payment is not available for the procedures performed using our products, in either the U.S. or any international markets we enter, the demand for our products and our revenue will be adversely affected.

Furthermore the overall amount of reimbursement available for products and procedures intended to treat cataract and refractive conditions of the eye could remain at current levels or decrease in the future. Failure by doctors to obtain and maintain coverage and adequate reimbursement as well as patient charges for the procedures performed using our products would materially adversely affect our business, financial condition and results of operations.

Third-party payors are also increasingly examining the cost effectiveness of products, in addition to their safety and efficacy, when making coverage and payment decisions. Third-party payors have also instituted initiatives to

limit the growth of healthcare costs using, for example, price regulation or controls and competitive pricing programs. Some third-party payors also require demonstrated superiority, on the basis of randomized clinical trials, or pre-approval of coverage, for new or innovative devices or procedures before they will reimburse healthcare providers who use such devices or procedures. Additionally, no uniform policy for coverage and reimbursement exists in the U.S., and coverage and reimbursement can differ significantly from payor to payor. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. It is uncertain whether our current products or any planned or future products will be viewed (or continue to be viewed) as sufficiently cost effective to warrant coverage and adequate reimbursement levels for procedures using such products in any given jurisdiction.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit or halt the marketing and sale of our products. The expense and potential unavailability of insurance coverage for liabilities resulting from our products could harm us and our ability to sell our products.

We face an inherent risk of product liability as a result of the marketing and sale of our products. For example, we may be sued if our products cause or are perceived to cause injury or are found to be otherwise unsuitable during manufacturing, marketing or sale. Any such product liability claim may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. In addition, we may be subject to claims against us even if the apparent injury is due to the actions of others or the pre-existing health of the patient. For example, we rely on doctors in connection with the use of our products on patients. If these doctors are not properly trained or are negligent, the capabilities of our products may be diminished, or the patient may suffer critical injury. We may also be subject to claims that are caused by the activities of our suppliers, such as those who provide us with components and sub-assemblies.

If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit or halt commercialization of our products. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for our products;
- injury to our reputation;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management’s time and our resources;
- substantial monetary awards to clinical trial participants or patients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources; and
- the inability to market and sell our products.

We believe we have adequate product liability insurance, but it may not prove to be adequate to cover all liabilities that we may incur. Insurance coverage is increasingly expensive. We may not be able to maintain or obtain insurance at a reasonable cost or in an amount adequate to satisfy any liability that may arise. Our insurance policy contains various exclusions, and we may be subject to a product liability claim for which we have no coverage. The potential inability to obtain sufficient product liability insurance at an acceptable cost to protect against product liability claims could prevent or inhibit the marketing and sale of products we develop. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts, which would have a material adverse effect on our business, financial condition and results of operations. In addition, any product liability claims brought against us, with or without merit, could increase our product liability insurance rates or prevent us from securing continuing coverage, harm our reputation in the industry, significantly increase our expenses and reduce product sales.

Some of our customers and prospective customers may also have difficulty in procuring or maintaining liability insurance to cover their operations and use of our products. Medical malpractice carriers are withdrawing coverage in certain states or substantially increasing premiums. If this trend continues or worsens, our customers may discontinue using our products and potential customers may opt against purchasing our products due to the cost or inability to procure insurance coverage.

We intend to expand sales of our products internationally in the future, but we may experience difficulties in obtaining regulatory clearance or approval or in successfully marketing our products internationally even if approved. A variety of risks associated with marketing our products internationally could materially adversely affect our business.

Sales of our products outside of the U.S. would be subject to foreign regulatory requirements governing clinical trials and marketing approval. We will incur substantial expenses in connection with our international expansion. Additional risks related to operating in foreign countries include:

- differing regulatory requirements and reimbursement regimes in foreign countries, including changes to regulatory requirements and implementation of new regulations in foreign countries;
- difficulties in compliance with non-U.S. laws and regulations;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- trade protection measures, import or export licensing requirements, or other restrictive actions by U.S. or non-U.S. governments;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the U.S.;
- potential liability under the FCPA or comparable foreign regulations;
- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the U.S.;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with international operations may materially adversely affect our ability to attain or maintain profitable operations in international markets, which would have a material adverse effect on our business, financial condition and results of operations.

Further, our products may be subject to U.S. and foreign export controls, trade sanctions and import laws and regulations. Governmental regulation of the import or export of our products, or our failure to obtain any required import or export authorization for our products, where applicable, could harm our international sales and adversely affect our revenue. Compliance with applicable regulatory requirements regarding the export of our products 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, U.S. export control laws and economic sanctions prohibit the shipment of certain products and services to countries, governments, and persons targeted by U.S. sanctions. If we fail to comply with export and import regulations and such economic sanctions, penalties could be imposed, including fines and/or denial of certain export privileges. Moreover, any new export or import restrictions, new legislation or shifting approaches in the enforcement or scope of existing regulations, or in the countries, persons, or products targeted by such regulations, could result in decreased use of our products by, or in our decreased ability to export our products to, existing or potential customers with international operations. Any decreased use of our products or limitation on our ability to export or sell our products would likely adversely affect our business.

In particular, there is currently significant uncertainty about the future relationship between the U.S. and various other countries, most significantly China, with respect to trade policies, treaties, tariffs, taxes, and other limitations on cross-border operations. The U.S. government has made and continues to make significant additional changes in U.S. trade policy and may continue to take future actions that could negatively impact U.S. trade. For example, legislation has been introduced in Congress to limit certain U.S. biotechnology companies from using equipment or services produced or provided by select Chinese biotechnology companies, and others in Congress have advocated for the use of existing executive branch authorities to limit those Chinese service providers' ability to engage in business in the U.S. We cannot predict what actions may ultimately be taken with respect to trade relations between the U.S. and China or other countries, what products and services may be subject to such actions or what actions may be taken by the other countries in retaliation. If we are unable to obtain or use services from existing service providers or become unable to export or sell our products to any of our customers or service providers, our business, liquidity, financial condition, and/or results of operations would be materially and adversely affected.

In addition, there can be no guarantee that we will receive approval to sell our products in the international markets we target, nor can there be any guarantee that any sales would result even if such approval is received. Even if the FDA grants marketing approval for a product, comparable regulatory authorities of foreign countries must also approve the manufacturing or marketing of the product in those countries. Approval in the U.S., or in any other jurisdiction, does not ensure approval in other jurisdictions. Obtaining foreign approvals could result in significant delays, difficulties and costs for us and require additional clinical trials and additional expenses. Regulatory requirements can vary widely from country to country and could delay the introduction of our products in those countries. Clinical trials conducted in one country may not be accepted by other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. If we fail to comply with these regulatory requirements or to obtain and maintain required approvals, our target market will be reduced and our ability to generate revenue will be diminished. Our inability to successfully enter all our desired international markets and manage business on a global scale could negatively affect our business, financial results and results of operations.

We may not be able to achieve or maintain satisfactory pricing and margins for our products.

Manufacturers of medical devices have a history of price competition, and we can give no assurance that we will be able to achieve satisfactory prices for our products or maintain prices at the levels we have historically achieved. Any decline in the amount that payors reimburse doctors performing cataract procedures, or any reduction in the flexibility to charge patients for non-reimbursed procedures could make it difficult for us to convince our customers to make the up-front investment in our LDD and could create additional pricing pressure with respect to the patient's decision to pay the additional cost associated with our LALs and potentially a reduction in the number of procedures performed using the RxSight system and corresponding sales of LDDs, LALs, accessories and services. If we are forced to lower the price we charge for our products, our revenue and gross margins will decrease, which will adversely affect our ability to invest in and grow our business. If we are unable to maintain our prices, or if our costs increase and we are unable to offset such increase with an increase in our prices, our margins could erode. We will continue to be subject to significant pricing pressure, which could harm our business, financial condition and results of operations.

LDD sales have declined in recent periods, and we currently hold LDD inventory in excess of near-term demand. In response, we paused LDD manufacturing during the third quarter of 2026 and expect to fulfill demand from existing inventory for a period of time. Our ability to realize the carrying value of this inventory depends on future LDD sales, placements under rental arrangements and international expansion, which may not occur at the levels or on the timeline we anticipate. If demand does not improve as expected, or if changes in technology, regulatory requirements or customer preferences reduce the marketability of our existing LDDs, we may be required to record inventory write-downs. In addition, while production is paused, certain fixed manufacturing costs will be expensed as incurred rather than included in the cost of inventory, and resuming production in the future may involve additional costs, delays or challenges, including retaining or rehiring qualified manufacturing personnel and requalifying suppliers. Any of these factors could adversely affect our gross margin and results of operations.

The sizes of the markets for our current and future products have not been established with precision and may be smaller than we estimate.

Our estimates of the annual total addressable markets for our current products and products under development are based on a number of internal and third-party estimates, including, without limitation, the number of patients who have undergone cataract surgery, and the assumed prices at which we can sell our RxSight system. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. In addition, our estimates of the sizes of the cataract surgery patient population include patients who might never be likely candidates for treatment with our products. As a result, our estimates of the annual total addressable market for our current or future products may prove to be incorrect. If the actual number of patients who would benefit from our products, the price at which we can sell future products, or the annual total addressable market for our products is smaller than we have estimated, it may impair our sales growth and have an adverse impact on our business.

To the extent changes to state regulations and interpretation of the practice of optometry, changes to insurance coverage and government reimbursement rates for our products and related procedures and/or changes in medical or professional malpractice insurance coverage for doctors who perform procedures using our products are implemented, such changes could affect the adoption of our products and our future revenue.

We believe that optometrists are qualified to perform LDD procedures involving our RxSight system, but states regulate the practice of optometry, including the types of procedures optometrists are authorized to perform in each state. To the extent states change the scope of optometry with respect to those who are qualified to perform LDD procedures involving our RxSight system, such state regulation or policy can have a material impact on our business. Additionally, payor restrictions on the coverage and/or reimbursement levels for procedures using our RxSight system can negatively impact our business. Changes to medical or professional malpractice insurance coverage policies for doctors who perform procedures using our products, can also impact the adoption of our products and our business operations. There is no assurance about the impact of current and future federal and state legislative, executive, and administrative actions, including measures implemented by state boards of examiners in optometry, as well as policies of malpractice insurance carriers and payors on us, our business operations, and the business of our customers. The implementation of cost containment measures or other policy and regulatory changes may prevent us from being able to generate revenue, attain profitability, or commercialize our products.

The federal government is considering ways to change, and has changed, the manner in which healthcare services are paid for in the U.S. Individual states may also enact legislation that impacts Medicaid payments to doctors. In addition, CMS establishes Medicare payment levels for doctors on an annual basis, which can increase or decrease payment to such entities. Internationally, medical reimbursement systems vary significantly from country to country, with some countries limiting medical centers' spending through fixed budgets, regardless of levels of patient treatment, and other countries requiring application for, and approval of, government or third-party reimbursement. In addition, the ability to charge patients directly for premium IOLs and associated services also varies widely across different countries and could become more restricted. Even if we succeed in bringing our products to market internationally, uncertainties regarding future healthcare policy, legislation and regulation, as well as private market practices, could affect our ability to sell our products in commercially acceptable quantities at acceptable prices.

Our quarterly and annual results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our quarterly and annual results of operations, including our revenue, profitability and cash flow, may vary significantly in the future, and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or period should not be relied upon as an indication of future performance. Our quarterly and annual financial results may fluctuate as a result of a variety of factors, many of which are outside our control and, as a result, may not fully reflect the underlying performance of our business. Fluctuations in quarterly and annual results may decrease the value of our common stock. Because our quarterly results may fluctuate, period-to-period comparisons may not be the best indication of the underlying results of our business and should only be relied upon as one factor in determining how our business is performing.

We have expanded, and may continue to expand, our organization, including expanding our sales and marketing capability and creating additional infrastructure to support our operations as a public company, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.

We have experienced growth in the number of our employees and the scope of our operations, particularly in the areas of sales and marketing. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Due to our limited financial resources and our limited experience in managing such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert or stretch our management and business development resources in a way that we may not anticipate. Any inability to manage growth could delay the execution of our business plans or disrupt our operations.

Certain of our operating results and financial metrics may be difficult to predict as a result of seasonality.

It is not uncommon in our industry to experience seasonally weaker revenue during the summer months and end-of-year holiday season. We may be affected by other seasonal trends in the future, including severe weather (which can impact the number of elective procedures performed), particularly as our business matures. To the extent we experience this seasonality, it may cause fluctuations in our operating results and financial metrics and make forecasting our future operating results and financial metrics more difficult. See further discussion in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of this report.

Our ability to use our net operating loss carryforwards and certain other tax attributes to offset future taxable income may be subject to certain limitations.

As of December 31, 2025, we had federal net operating loss carryforwards ("NOLs") of approximately $376.7 million, some of which will begin to expire in various years ranging from 2026 to 2037. Our NOLs could expire unused and be unavailable to offset future income tax liabilities because of their limited duration or because of restrictions under U.S. tax law. Under the Tax Cuts and Jobs Act ("Tax Act"), as modified by the Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, our federal NOLs generated in tax years ending after December 31, 2017 may be carried forward indefinitely, but beginning after December 31, 2020 the deductibility of such federal NOLs, is generally limited to 80% of the current year taxable income. Various states may conform to the Tax Act, as modified by the CARES Act, to different extents.

In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "Code"), if a corporation undergoes an "ownership change" (generally defined as a cumulative change in our ownership by "5-percent shareholders" that exceeds 50 percentage points over a rolling three-year period), the corporation's ability to use its pre-change NOLs and certain other pre-change tax attributes to offset its post-change income and taxes may be limited. Similar rules may apply under state tax laws. We may have experienced such ownership changes in the past, and we may experience an ownership change in the future as a result of subsequent shifts in our stock ownership, some of which are outside our control. We have not conducted any studies to determine annual limitations, if any, that could result from such changes in our stock ownership. Our ability to utilize those NOLs and certain other tax attributes could be limited by an "ownership change" as described above and consequently, we may not be able to utilize a material portion of our NOLs and certain other tax attributes, which could have a material adverse effect on our cash flows and results of operations. In addition, California has enacted a temporary suspension on the use of state net operating loss carryforwards for certain businesses, which may adversely affect our company if it earns taxable income in the impacted tax years. Other state tax limitations may apply.

Risks related to intellectual property

If we are unable to obtain, maintain, protect and enforce patent and other intellectual property protection for our technology and products, or if the scope of the patent and other intellectual property protection obtained is not sufficiently broad, we may not be able to compete effectively in our markets.

Our success depends in large part on our ability to obtain, maintain, protect and enforce patent and other intellectual property protection in the U.S. and other countries with respect to our products and technology we develop. If we fail to obtain, maintain, protect and enforce our intellectual property, third parties may be able to compete more effectively against us, we may lose our technological or competitive advantage, or we may incur substantial litigation costs in our attempts to recover or restrict use of our intellectual property.

We seek to protect our position by in-licensing intellectual property relating to our products and filing patent applications in the U.S. and abroad related to our technologies and products that are important to our business. We also rely on a combination of contractual provisions, confidentiality procedures and copyright, trademark, trade secret and other intellectual property rights to protect the proprietary aspects of our brands, products, technologies and data. These legal measures afford only limited protection, and competitors or others may gain access to or use our intellectual property and proprietary information. Our success will depend, in part, on obtaining and maintaining patents, copyrights, trademarks, trade secrets, data and know-how and other intellectual property rights.

We may not be able to obtain and maintain intellectual property or other proprietary rights necessary to our business or in a form that provides us with a competitive advantage. For example, our trade secrets, data and know-how could be subject to unauthorized use, misappropriation or disclosure to unauthorized parties, despite our efforts to enter into confidentiality agreements with our employees, consultants, contractors, clients and other vendors who have access to such information, and could otherwise become known or be independently discovered by third parties. In addition, the patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patents and patent applications at a reasonable cost, in a timely manner, or in all jurisdictions where protection may be commercially advantageous, or we may not be able to protect our intellectual property at all. Despite our efforts to protect our intellectual property, unauthorized parties may be able to obtain and use information that we regard as proprietary.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability and our owned and in-licensed issued patents may be challenged in courts or patent offices in the U.S. and abroad. For example, we may be subject to a third-party submission of prior art to the U.S. Patent and Trademark Office ("USPTO"), challenging the validity of one or more claims of our owned or in-licensed issued patents. Such submissions may also be made prior to a patent's issuance, precluding the granting of a patent based on one of our owned or in-licensed pending patent applications.

It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Although we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, consultants, contractors, collaborators, vendors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. We may not be able to obtain or maintain patent applications and issued patents due to the subject matter claimed in such patent applications and issued patents being in disclosures in the public domain, and we may not be able to prevent any third party from using any of our technology that is in the public domain to compete with our technologies. In addition, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the U.S. and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our owned or in-licensed issued patents or pending patent applications, or that we were the first to file for patent protection of such inventions. If a third party can establish that we or our licensors were not the first to make or the first to file for patent protection of such inventions, our owned or in-licensed patent applications may not issue as patents and even if issued, may be challenged and invalidated or rendered unenforceable.

Often the relative patent positions of companies is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. Changes in either the patent laws or their interpretation in the U.S. and other countries may diminish our ability to protect our inventions, obtain, maintain, and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our owned and in-licensed patents. With respect to both in-licensed and owned intellectual property, we cannot predict whether the patent applications we and our licensors are currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient protection from competitors. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

Moreover, the coverage claimed in a patent application can be significantly reduced before a patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we license or own currently or in the future issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. Any patents that we hold or in-license may be challenged, narrowed or invalidated by third parties. Additionally, our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner. Third parties may also have blocking patents that could prevent us from marketing our own products and practicing our own technology. Alternatively, third parties may seek approval to market their own products similar to or otherwise compete with our products. In these circumstances, we may need to defend and/or assert our patents, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid, unenforceable or not infringed, in which case, our competitors and other third parties may then be able to market products and use manufacturing and analytical processes that are substantially similar to ours. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

Given that patent applications are confidential for a period of time after filing, we cannot be certain that we were the first to file any patent application related to our products. Competitors may also contest our patents, if issued, by showing the USPTO, or the applicable other foreign patent agency that the invention was not original, was not novel or was obvious. In litigation, a competitor could claim that our patents, if issued, are not valid for a number of reasons. If a court agrees, we would lose our rights to those challenged patents.

In addition, given the amount of time required for the development, testing and regulatory review of new products, patents protecting such products might expire before or shortly after such products are commercialized. As a result, our intellectual property may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. Moreover, some of our owned and in-licensed patents and patent applications may in the future be co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we may need the cooperation of any such co-owners of our patents in order to enforce such patents against third parties, and such cooperation may not be provided to us.

Our other intellectual property, including our trademarks, could also be challenged, invalidated, infringed and circumvented by third parties, and our trademarks could also be diluted, declared generic or found to be infringing on other marks, in which case we could be forced to re-brand our products, resulting in loss of brand recognition and requiring us to devote resources to advertising and marketing new brands, and suffer other competitive harm. Third parties may also adopt trademarks similar to ours, which could harm our brand identity and lead to market confusion.

We may in the future also be subject to claims by our former employees, consultants or contractors asserting an ownership right in our patents or patent applications, as a result of the work they performed on our behalf. Although we generally require all of our employees, consultants, contractors and any other partners or collaborators who have access to our proprietary know-how, information or technology to assign or grant similar rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy.

Failure to obtain and maintain patents, trademarks and other intellectual property rights necessary to our business and failure to protect, monitor and control the use of our intellectual property rights could negatively impact our ability to compete and cause us to incur significant expenses. The intellectual property laws and other statutory and contractual arrangements in the U.S. and other jurisdictions we depend upon may not provide sufficient protection in the future to prevent the infringement, use, violation or misappropriation of our patents, trademarks, data, technology and other intellectual property, and may not provide an adequate remedy if our intellectual property rights are infringed, misappropriated or otherwise violated. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

Furthermore, our owned and in-licensed patents may be subject to a reservation of rights by one or more third parties. For example, this could arise if the research resulting in certain of our owned or in-licensed patent rights and technology was funded in part by the U.S. government. As a result, the government may have certain rights, or march-in rights, to such patent rights and technology. When new technologies are developed with government funding, the government generally obtains certain rights in any resulting patents, including a non-exclusive license authorizing the government to use the invention for non-commercial purposes. These rights may permit the government to disclose our confidential information to third parties and to exercise march-in rights to use or allow third parties to use our licensed technology. The government can exercise its march-in rights if it determines that action is necessary because we fail to achieve practical application of the government-funded technology, because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. In addition, our rights in such inventions may be subject to certain requirements to manufacture products embodying such inventions in the U.S. The U.S. government has released a draft framework and recently taken actions to indicate closer review of patents resulting from government funding for compliance with the Bayh-Dole Act, which if found noncompliant, may be used by an agency to authorize the government exercise its march-in rights for public comments, and as such, the framework for deciding when march-in rights are exercised may change. Any exercise by the government of such rights could harm our competitive position, business, financial condition, results of operations and prospects.

Moreover, a portion of our intellectual property has been acquired from one or more third parties. While we have conducted diligence with respect to such acquisitions, because we did not participate in the development or prosecution of much of the acquired intellectual property, we cannot guarantee that our diligence efforts identified and/or remedied all issues related to such intellectual property, including potential ownership errors, potential errors during prosecution of such intellectual property, and potential encumbrances that could limit our ability to enforce such intellectual property rights.

Patent terms may be inadequate to protect our competitive position on technology for an adequate amount of time.

Patents have a limited lifespan. In the U.S., if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest claimed U.S. non-provisional or Patent Cooperation Treaty application filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our products are obtained, once the patent life has expired for a product, we may be open to competition. Given the amount of time required for the development, testing and regulatory review of new products, patents protecting such products might expire before or shortly after such products are commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours for a meaningful amount of time, or at all.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for noncompliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on any issued patents and patent applications are due to be paid to the USPTO and other foreign patent agencies in several stages over the lifetime of such issued patents and patent applications. The USPTO and various foreign national or international patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of patent rights include, but are not limited to, failure to timely file national and regional stage patent applications based on our international patent application, failure to respond to official actions within prescribed time limits, non-payment of fees, and failure to properly legalize and submit formal documents. We are dependent on our licensors to take the necessary action to comply with these requirements with respect to certain of our in-licensed intellectual property, and if we or any of our current or future licensors fail to maintain the patents and patent applications covering our RxSight system or any future products, our competitors may be able to enter the market, which would have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, which might adversely affect our ability to develop and market our products.

We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the U.S. and abroad that is relevant to or necessary for the commercialization of our current and future products in any jurisdiction.

The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. We may incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third party's pending application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the U.S. or abroad that we consider relevant may be incorrect, and our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products.

Our future reliance on third parties may require us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed.

Because we rely on third parties to supply components, raw materials, chemicals and other supplies to manufacture our RxSight system, and any future products, and we expect to collaborate with third parties on the continuing development of our RxSight system, and any future products, we must, at times, share trade secrets with them. We also expect to conduct R&D programs that may require us to share trade secrets under the terms of our partnerships or agreements with contract research organizations ("CROs"). We seek to protect our proprietary technology in part by entering into agreements containing confidentiality and use restrictions and obligations with our advisors, employees, contractors, contract manufacturing organizations ("CMOs"), CROs, other service providers and consultants prior to disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, including our trade secrets. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have an adverse effect on our business and results of operations.

In addition, these agreements typically restrict the ability of our advisors, employees, third-party contractors, CMOs, CROs, other service providers and consultants to publish data potentially relating to our trade secrets, although our agreements may contain certain limited publication rights. Despite our efforts to protect our trade secrets, our competitors may discover our trade secrets, either through breach of our agreements with third parties, independent development or publication of information by any of our third-party collaborators. A competitor's discovery of our trade secrets would impair our competitive position and have an adverse impact on our business.

We may be subject to claims that we or our employees have misappropriated the intellectual property of a third party, including trade secrets or know-how, or are in breach of non-competition or non-solicitation agreements with our competitors and third parties may claim an ownership interest in intellectual property we regard as our own.

Many of our employees and consultants were previously employed at or engaged by other medical device, biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants and contractors, may have executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees and consultants do not use the intellectual property, proprietary information, know-how or trade secrets of others in their work for us, we may be subject to claims that we or these individuals have, inadvertently or otherwise, misappropriated the intellectual property or disclosed the alleged trade secrets or other proprietary information, of these former employers or competitors. Litigation may be necessary to defend against these claims, and if we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. In addition, we may lose personnel as a result of such claims. Any such litigation, or the threat thereof, may adversely affect our ability to hire employees or contract with independent contractors. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our products, which would have a material adverse effect on our business, results of operations, financial condition and prospects.

Additionally, we may be subject to claims from third parties challenging our ownership interest in intellectual property we regard as our own, based on claims that our employees or consultants have breached an obligation to assign inventions to another employer, to a former employer, or to another person or entity. Litigation may be necessary to defend against any other claims, and it may be necessary or we may desire to enter into a license to settle any such claim; however, there can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all. If our defense to those claims fails, in addition to paying monetary damages, a court could prohibit us from using technologies or features that are essential to our products, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers.

In addition, we or our licensors may in the future be subject to claims by former employees, consultants or other third parties asserting an ownership right in our owned or in-licensed issued patents or patent applications. An adverse determination in any such submission or proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar technology, without payment to us, or could limit the duration of the patent protection covering our technology. Such challenges may also result in our inability to develop, manufacture or commercialize our technology without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our owned or in-licensed issued patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future products. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

An inability to incorporate technologies or features that are important or essential to our products could have a material adverse effect on our business, financial condition and results of operations, and may prevent us from selling our products. In addition, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against these claims, litigation could result in substantial costs and could be a distraction to management. Any litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent sales representatives. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our products, which could have an adverse effect on our business, financial condition and results of operations.

We may become a party to intellectual property litigation or administrative proceedings that could be costly and could interfere with our ability to sell and market our products.

The medical device industry has been characterized by extensive litigation regarding patents, trademarks, trade secrets and other intellectual property rights, and companies in the industry have used intellectual property litigation to gain a competitive advantage. It is possible that U.S. and foreign patents and pending patent applications, copyrights, or trademarks controlled by third parties may be alleged to cover our products, or that we may be accused of misappropriating third parties' trade secrets. Additionally, our products include components that we purchase from vendors, and may include design components that are outside of our direct control. Our competitors, many of which have substantially greater resources and have made substantial investments in patent portfolios, trade secrets, copyrights, trademarks and competing technologies, may have applied for or obtained, or may in the future apply for or obtain, patents, copyrights, or trademarks that will prevent, limit or otherwise interfere with our ability to make, use, sell and/or export our products or to use product names. Because patent applications can take years to issue and are often afforded confidentiality for some period of time, there may currently be pending applications, unknown to us, that later result in issued patents that could cover one or more of our products. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we may receive threatening letters, notices or "invitations to license," or may be the subject of claims that our products and business operations infringe or violate the intellectual property rights of others. We may face patent infringement claims from non-practicing entities that have no relevant product revenue and against whom our owned or in-licensed patent portfolio may therefore have no deterrent effect. We may in the future become party to adversarial proceedings or litigation where our competitors or other third parties may assert claims against us, alleging that our products or services infringe, misappropriate or otherwise violate their intellectual property rights, including patents and trade secrets. The defense of these matters can be time consuming, costly, divert management's attention and resources, damage our reputation and brand and cause us to incur significant expenses or make substantial payments. Vendors from whom we purchase hardware or software may not indemnify us in the event that such hardware or software is accused of infringing a third party's patent or trademark or of misappropriating a third party's trade secret, or any indemnification granted by such vendors may not be sufficient to address any liability and costs we incur as a result of such claims. Additionally, we may be obligated to indemnify our customers or business partners in connection with litigation and to obtain licenses or refund subscription fees, which could further exhaust our resources.

Even if we believe a third party's intellectual property claims are without merit, there is no assurance that a court would find in our favor, including on questions of infringement, validity, enforceability or priority of patents. The strength of our defenses will depend on the patents asserted, the interpretation of these patents, and our ability to invalidate the asserted patents. A court could hold that these third-party patents are valid, enforceable and infringed, which could materially and adversely affect our ability to commercialize any products or technology we may develop, and any other products or technologies covered by the asserted third-party patents. In order to successfully challenge the validity of any such U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court would invalidate the claims of any such U.S. patent. Conversely, the patent owner need only prove infringement by a preponderance of the evidence, which is a lower burden of proof.

Further, if patents, trademarks, copyrights, or trade secrets are successfully asserted against us, this may harm our business and result in injunctions preventing us from developing, manufacturing, marketing or selling our products, or result in obligations to pay license fees, damages, attorney fees and court costs, which could be significant. In addition, if we are found to willfully infringe third-party patents or trademarks or to have misappropriated trade secrets, we could be required to pay treble damages in addition to other penalties.

Although patent, copyright, trademark, trade secret and other intellectual property disputes in the medical device area have often been settled through licensing or similar arrangements, costs associated with such arrangements may be substantial and could include ongoing royalties. We may be unable to obtain necessary licenses on satisfactory terms, if at all. In addition, if any license we obtain is non-exclusive, we may not be able to prevent our competitors and other third parties from using the intellectual property or technology covered by such license to compete with us. If we do not obtain necessary licenses, we may not be able to redesign our products to avoid infringement. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Similarly, interference or derivation proceedings provoked by third parties or brought by the USPTO, may be necessary to determine priority with respect to our patents, patent applications, trademarks or trademark applications. We may also become involved in other proceedings, such as reexamination, inter partes review, derivation or opposition proceedings before the USPTO or other jurisdictional body relating to our intellectual property rights or the intellectual property rights of others. Adverse determinations in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing our products or using product names, which would have a significant adverse impact on our business, financial condition and results of operations.

Additionally, we may file lawsuits or initiate other proceedings to protect or enforce our patents or other intellectual property rights, which could be expensive, time consuming and unsuccessful. Competitors may infringe our issued patents or other intellectual property, which we may not always be able to detect. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property or alleging that our intellectual property is invalid or unenforceable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may raise challenges to the validity of certain of our owned or in-licensed patent claims before administrative bodies in the U.S. or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, inter partes review, interference proceedings, derivation proceedings and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). In any such lawsuit or other proceedings, a court or other administrative body may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question.

The outcome following legal assertions of invalidity and unenforceability is unpredictable. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our products or products that we may develop. If our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market. An adverse result in any litigation or other proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Even if resolved in our favor, litigation or other proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. Uncertainties resulting from the initiation and continuation of patent and other intellectual property litigation or other proceedings could have a material adverse effect on our business, financial condition and results of operations.

Because of the expense and uncertainty of litigation, we may not be in a position to enforce our intellectual property rights against third parties.

Because of the expense and uncertainty of litigation, we may conclude that even if a third party is infringing, misappropriating or otherwise violating our owned or in-licensed patents, any patents that may be issued as a result of our future patent applications, or other intellectual property rights, the risk-adjusted cost of bringing and enforcing such a claim or action may be too high or not in the best interest of our company or our shareholders. In such cases, we may decide that the more prudent course of action is to simply monitor the situation or initiate or seek some other non-litigious action or solution.

Our rights to develop and commercialize our products are subject, in part, to the terms and conditions of licenses granted to us by others.

We may obtain licenses to patent rights, proprietary technology, or other intellectual property from third parties that are important or necessary for the development of our products and technology, including future products and technology. Further development and commercialization of our current products, and development of any future products, may require us to enter into license or collaboration agreements. These and other licenses may not provide exclusive rights to use such intellectual property and technology in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and products in the future. As a result, we may not be able to prevent competitors from developing and commercializing competitive products in territories included in all of our licenses.

In addition, and as such, in the future we may not have the right to control the preparation, filing, prosecution, maintenance, enforcement and defense of patents and patent applications covering the technology that we license from third parties. Therefore, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business. Additionally, patents that may be licensed to us could be put at risk of being invalidated or interpreted narrowly in litigation filed by or against our licensors or another licensee or in administrative proceedings brought by or against our licensors or another licensee in response to such litigation or for other reasons. If our potential licensors fail to prosecute, maintain, enforce and defend such patents, or lose rights to those patents or patent applications, the rights we have licensed may be reduced or eliminated, and our right to develop and commercialize any of our products that are subject of such licensed rights could be adversely affected.

Our potential licensors may have relied on third-party consultants or collaborators or on funds from third parties such that our licensors are not the sole and exclusive owners of the patents we in-license. This could materially and adversely affect our business, financial condition and results of operations.

The agreements under which we currently license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology or increase what we believe to be our financial or other obligations under the relevant agreement. Despite our best efforts, our licensors might also conclude that we have materially breached our license agreements and terminate the license agreements, thereby removing our ability to develop and commercialize products and technology covered by these license agreements. If these in-licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, competitors would have the freedom to seek regulatory approval of, and to market, products identical to ours. In addition, we may seek to obtain additional licenses from our licensors and, in connection with obtaining such licenses, we may agree to amend our existing licenses in a manner that may be more favorable to the licensors, including by agreeing to terms that could enable third parties (potentially including our competitors) to receive licenses to a portion of the intellectual property that is subject to our existing licenses. Moreover, if disputes over intellectual property that we license prevent or impair our ability to maintain other licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected products. Any of these events could materially and adversely affect our business, financial condition and results of operations.

We have entered into, and in the future, we may enter into additional agreements involving licenses or collaborations that provide for access or sharing of intellectual property. If we fail to comply with our obligations under any license, collaboration or other agreements, we may be required to pay damages and could lose intellectual property rights that are necessary for developing and protecting our current and future products.

We currently (such as the RxSight-Alcon Collaboration Agreement), and in the future may continue to, license from third parties and/or collaborate on certain intellectual property relating to our current and future products. In the event we do so, we may have certain obligations to such licensors or collaborators. If we breach any material obligations, or use the intellectual property licensed to us in an unauthorized manner, we may be required to pay damages and the licensor may have the right to terminate the license, which could result in us being unable to develop, manufacture, and sell products that are covered by the licensed technology or enable a competitor to gain access to the licensed technology.

Disputes may arise between us and our licensors or collaborators regarding intellectual property subject to a license agreement or collaboration agreement, including:

- the scope of rights granted under the agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the agreement;
- our right to sublicense patents and other rights to third parties;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products, and what activities satisfy those diligence obligations;
- our right to transfer or assign the license; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by any of our licensors or collaborators and us and our partners.

If disputes over intellectual property that we license and/or collaborate on currently or in the future prevent or impair our ability to maintain our licensing or collaboration arrangements on acceptable terms, we may not be able to successfully develop and commercialize the affected products, which would have a material adverse effect on our business.

In addition, certain of our agreements with third parties may limit or delay our ability to consummate certain transactions, may impact the value of those transactions, or may limit our ability to pursue certain activities. For

example, we may in the future enter into license agreements that are not assignable or transferable, or that require the licensor's express consent in order for an assignment or transfer to take place.

Further, we or our licensors or collaborators, if any, may fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them. Therefore, we may miss potential opportunities to strengthen our patent position. It is possible that defects of form in the preparation or filing of our patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope, or requests for patent term adjustments. If we or our licensors or collaborators fail to establish, maintain or protect such patents and other intellectual property rights, such rights may be reduced or eliminated. If our licensors or collaborators are not fully cooperative or disagree with us as to the prosecution, maintenance or enforcement of any patent rights, such patent rights could be compromised. If there are material defects in the form, preparation, prosecution, or enforcement of our patents or patent applications, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business.

In addition, even where we have the right to control patent prosecution of patents and patent applications under future license from third parties, we may still be adversely affected or prejudiced by actions or inactions of our predecessors or licensors and their counsel that took place prior to us assuming control over patent prosecution.

Our technology acquired or licensed currently or in the future from various third parties may be subject to retained rights. Our predecessors or licensors may retain certain rights under their agreements with us, including the right to use the underlying technology for noncommercial academic and research use, to publish general scientific findings from research related to the technology, and to make customary scientific and scholarly disclosures of information relating to the technology. It is difficult to monitor whether our predecessors or licensors limit their use of the technology to these uses, and we could incur substantial expenses to enforce our rights to our licensed technology in the event of misuse.

If we are limited in our ability to utilize acquired or licensed technologies, or if we lose our rights to critical in-licensed technology, we may be unable to successfully develop, out-license, market and sell our products, which could prevent or delay new product introductions. Our business strategy depends on the successful development of acquired technologies, and possibly in the licensed technology, into commercial products. Therefore, any limitations on our ability to utilize these technologies may impair our ability to develop, out-license or market and sell our products.

We may not be successful in obtaining necessary rights to any products we may develop through acquisitions and in-licenses.

We may need to obtain additional licenses from our existing licensors or otherwise acquire or in-license any intellectual property rights from third parties that we identify as necessary for our products. It is possible that we may be unable to obtain any additional licenses or acquire such intellectual property rights at a reasonable cost or on reasonable terms, if at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. In that event, we may be required to expend significant time and resources to redesign our technology, products, or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected products, which could materially and adversely affect our business, financial condition and results of operations.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

We or our licensors may be subject to claims that former consultants, contractors or other third parties have an interest in our owned or in-licensed patents, trade secrets or other intellectual property as an inventor or co-inventor. While it is our policy to require our employees, consultants and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our products. Furthermore, individuals executing invention assignment agreements with us may have preexisting or competing obligations to a third party, such as an academic institution, and thus an agreement with us may be ineffective in perfecting ownership of inventions developed by that individual. Any such events could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to protect the confidentiality of our trade secrets and other proprietary information, our business and competitive position may be harmed.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets, and other proprietary information that is not patentable or that we elect not to patent. However, trade secrets can be difficult to protect and some courts inside and outside the U.S. are less willing or unwilling to protect trade secrets. To maintain the confidentiality of our trade secrets and proprietary information, we rely heavily on confidentiality provisions that we have in contracts with our employees, consultants, collaborators and others upon the commencement of their relationship with us. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or other trade secrets by such third parties, despite the existence generally of these confidentiality restrictions. These contracts may not provide meaningful protection for our trade secrets, know-how, or other proprietary information in the event of any unauthorized use, misappropriation, or disclosure of such trade secrets, know-how, or other proprietary information. There can be no assurance that such third parties will not breach their agreements with us, that we will have adequate remedies for any breach, or that our trade secrets will not otherwise become known or independently developed by competitors. Despite the protections we do place on our intellectual property or other proprietary rights, monitoring unauthorized use and disclosure of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property or other proprietary rights will be adequate. In addition, the laws of many foreign countries will not protect our intellectual property or other proprietary rights to the same extent as the laws of the U.S. Consequently, we may be unable to prevent our proprietary technology from being exploited abroad, which could affect our ability to expand to international markets or require costly efforts to protect our technology.

To the extent our intellectual property or other proprietary information protection is incomplete, we are exposed to a greater risk of direct competition. A third party could, without authorization, copy or otherwise obtain and use our products or technology, or develop similar technology. Our competitors could purchase our products and attempt to replicate some or all of the competitive advantages we derive from our development efforts or design around our protected technology. Our failure to secure, protect and enforce our intellectual property rights could substantially harm the value of our products, brand and business. The theft or unauthorized use or publication of our trade secrets and other confidential business information could reduce the differentiation of our products and harm our business, the value of our investment in development or business acquisitions could be reduced and third parties might make claims against us related to losses of their confidential or proprietary information. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

Further, it is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology, and in such cases we could not assert any trade secret rights against such parties or those to whom they communicate such trade secrets. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and nondisclosure provisions. If we fail to obtain or maintain trade secret protection, or if our competitors obtain our trade secrets or independently develop technology similar to ours or competing technologies, our competitive market position could be materially and adversely affected. In addition, some courts are less willing or unwilling to protect trade secrets and agreement terms that address non-competition. These agreements are often difficult to enforce in many jurisdictions and might not be enforceable in certain cases.

We also seek to preserve the integrity and confidentiality of our data and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached and detecting the disclosure or misappropriation of confidential information and enforcing a claim that a party illegally disclosed or misappropriated confidential information is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we may not be able to obtain adequate remedies for any breach.

Changes in U.S. patent law or the patent law of other countries or jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our products.

Changes in either the patent laws or interpretation of the patent laws in the U.S. could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. The U.S. has enacted and implemented wide-ranging patent reform legislation. Assuming that other requirements for patentability are met, prior to March 2013, in the U.S., the first to invent the claimed invention was entitled to the patent, while outside the U.S., the first to file a patent application was entitled to the patent. After March 2013, under the Leahy-Smith America Invents Act, or the America Invents Act, enacted in September 2011, the U.S. transitioned to a first inventor to file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. The America Invents Act also includes a number of significant changes that affect the way patent applications are prosecuted and also may affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to challenge the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, inter partes review and derivation proceedings. The America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, the U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. We cannot predict how decisions or actions by the courts, the U.S. Congress or the USPTO may impact the value of our patents. Depending on actions by Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce patents that we have licensed or that we might obtain in the future. 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not be able to protect our intellectual property rights throughout the world, which could impair our business.

Filing, prosecuting, and defending patents covering our RxSight system, and any of our future products throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the U.S. are less extensive than those in the U.S. In some cases, we or our licensors may not be able to obtain patent protection for certain technology outside the U.S. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the U.S. Consequently, we may not be able to prevent third parties from practicing our or our licensors' inventions in all countries outside the U.S., even in jurisdictions where we or our licensors do pursue patent protection, or from selling or importing products made using our or our licensors' inventions in and into the U.S. or other jurisdictions. Competitors may use our technologies in jurisdictions where we or our licensors have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we may have or obtain patent protection, but where patent enforcement is not as strong as that in the U.S. These unauthorized products may compete with our products in such jurisdictions and take away our market share where we do not have any issued or in-licensed patents and any future patent claims or other intellectual property rights may not be effective or sufficient to prevent them from so competing.

Many companies have encountered significant problems in enforcing and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents, if pursued and obtained, or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our or our licensors' patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We or our licensors may not prevail in any lawsuits that we or our licensors initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Since June 1, 2023, European applications have the option, upon grant of a patent, of becoming a Unitary Patent which will be subject to the jurisdiction of the Unitary Patent Court ("UPC"). This is a significant change in European patent practice. As the UPC is a new court system, precedent is developing for the court, increasing the uncertainty of any litigation.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make a product that is similar to our current products and future products we intend to commercialize and that is not covered by the patents that we own or exclusively in-license and have the right to enforce;
- we and any of our current or future licensors or collaborators might not have been the first to make the inventions covered by the issued patents or pending patent applications that we own, license or may own or license in the future;
- we or any of our current or future licensors or collaborators might not have been the first to file patent applications covering certain of our inventions;

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating or otherwise violating our intellectual property rights;
- it is possible that our current or future owned or in-licensed patent applications will not lead to issued patents;
- issued patents that we own or in-license may not provide us with any competitive advantages, or may be held invalid or unenforceable as a result of legal challenges, including as a result of legal challenges by our competitors;
- our competitors might conduct research and development activities in the U.S. and other countries that provide a safe harbor from patent infringement claims for certain research and development activities, as well as in countries where we do not have patent rights, and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable; and
- we may choose not to file a patent for certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property.

Our use of "open source" software could subject our proprietary software to general release, adversely affect our ability to sell our products and subject us to possible litigation.

We may incorporate open source software in products or technologies licensed, developed and/or distributed by us. Open source software is generally licensed by its authors or other third parties under open source licenses. Some open source licenses contain requirements that we disclose source code for modifications we make to the open source software and that we license such modifications to third parties at no cost. In some circumstances, distribution of our software in connection with open source software could require that we disclose and license some or all of our proprietary source code in that software, as well as distribute our products that use particular open source software at no cost to the user. We intend to monitor our use of open source software in an effort to avoid uses in a manner that would require us to disclose or grant licenses under our proprietary source code; however, there can be no assurance that such efforts will be successful. Open source license terms are often ambiguous and such use could inadvertently occur. There is little legal precedent governing the interpretation of many of the terms of these licenses, and the potential impact of these terms on our business may result in unanticipated obligations regarding our products and technologies. Companies that incorporate open source software into their products have, in the past, faced claims seeking enforcement of open source license provisions and claims asserting ownership of open source software incorporated into their product. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of an open source license, we could incur significant legal costs defending ourselves against such allegations. In the event such claims were successful, we could be subject to significant damages or be enjoined from the distribution of our products. In addition, if we combine our proprietary software with open source software in certain ways, under some open source licenses, we could be required to release the source code of our proprietary software, which could substantially help our competitors develop products that are similar to or better than ours and otherwise adversely affect our business. These risks could be difficult to eliminate or manage, and, if not addressed, could harm our business, financial condition and results of operations.

If our trademarks, service marks and tradenames are not adequately protected, then we may not be able to build name recognition in our markets and our business may be adversely affected.

We rely on trademarks, service marks, tradenames and brand names to distinguish our products from the products of our competitors and have registered or applied to register these trademarks. There is no assurance that our trademark and service mark applications will be approved. During trademark and service mark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the USPTO and comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark and service mark applications and to seek to cancel registered trademarks and service marks. Opposition or cancellation proceedings may be filed against our trademarks and service marks, and our trademarks and service marks may not survive such proceedings. In the event that our trademarks and service marks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote resources towards advertising and marketing new brands. At times, competitors may adopt trade names, trademarks or service marks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. As a means to enforce our trademark and service mark rights and prevent infringement and other violations, we may be required to file claims against third parties or initiate opposition proceedings. This can be expensive and time-consuming. In addition, there could be potential trademark or service mark infringement claims brought by owners of other registered trademarks, service marks, or trademarks or service marks that incorporate variations of our registered or unregistered trademarks or service marks. Certain of our current or future trademarks or service marks may become so well known by the public that their use becomes generic and they lose trademark or service mark protection. Over the long term, if we are unable to establish name recognition based on our trademarks, service marks and trade names, then we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

Risks related to government regulation

If we fail to obtain and maintain necessary regulatory clearances or approvals for our products, or if clearances or approvals for future products and indications are delayed or not issued, our commercial operations would be harmed.

Our products are subject to extensive regulation by the FDA in the U.S. and by regulatory agencies in other countries where we may choose to do business. Government regulations specific to medical devices are wide ranging and govern, among other things:

- product design, development and manufacture;
- laboratory, preclinical and clinical testing, labeling, packaging, storage and distribution;
- premarketing clearance or approval;
- record keeping;
- product safety and effectiveness;
- product changes;
- product marketing, promotion and advertising, sales and distribution; and
- post marketing surveillance, including reporting of deaths or serious injuries and recalls and correction and removals.

Before a new medical device, or a new intended use for an existing product, can be marketed in the U.S., a company must first submit and receive either 510(k) clearance pursuant to Section 510(k) of the FDCA, or approval of a premarket approval, or PMA, application from the FDA, unless an exemption applies.

In many cases, the process of obtaining PMA approval is much more rigorous, costly, lengthy and uncertain than the 510(k) clearance process. In the 510(k) clearance process, the FDA must determine that a proposed device is "substantially equivalent" to a device legally on the market, known as a "predicate" device, in order to clear the proposed device for marketing. To be "substantially equivalent," the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data is sometimes required to support substantial equivalence. In the PMA approval process, the FDA must determine that a proposed device is safe and effective for its intended use based on extensive data, including technical, pre-clinical, clinical trial, manufacturing and labeling data. The PMA process is typically required for devices for which the 510(k) process cannot be used and that are deemed to pose the greatest risk. Modifications to products that are approved through a PMA application generally need prior FDA approval of a PMA supplement. Similarly, some modifications made to products cleared through a 510(k) may require a new 510(k), or such modification may put the device into class III and require PMA approval. The FDA's 510(k) clearance process usually takes from three to 12 months but may last longer. The process of obtaining a PMA generally takes from one to three years, or even longer, from the time the PMA is submitted to the FDA until an approval is obtained. Any delay or failure to obtain necessary regulatory approvals or clearances would have a material adverse effect on our business, financial condition and results of operations.

The FDA can delay, limit or deny clearance or approval of a device for many reasons, including:

- our inability to demonstrate to the satisfaction of the FDA or the applicable regulatory entity or notified body that our products are safe or effective for their intended uses;
- the disagreement of the FDA or the applicable foreign regulatory body with the design, conduct or implementation of our clinical trials or the analyses or interpretation of data from pre-clinical studies or clinical trials;
- serious and unexpected adverse device effects experienced by participants in our clinical trials;
- the data from our pre-clinical studies and clinical trials may be insufficient to support clearance or approval, where required;
- our inability to demonstrate that the clinical and other benefits of the device outweigh the risks;
- an advisory committee, if convened by the applicable regulatory authority, may recommend against approval of our application or may recommend that the applicable regulatory authority require, as a condition of approval, additional preclinical studies or clinical trials, limitations on approved labeling or distribution and use restrictions, or even if an advisory committee, if convened, makes a favorable recommendation, the respective regulatory authority may still not approve the product;
- the applicable regulatory authority may identify significant deficiencies in our manufacturing processes, facilities or analytical methods or those of our third-party contract manufacturers;
- the potential for approval policies or regulations of the FDA or applicable foreign regulatory bodies to change significantly in a manner rendering our clinical data or regulatory filings insufficient for clearance or approval; and
- the FDA or foreign regulatory authorities may audit our clinical trial data and conclude that the data is not sufficiently reliable to support approval or clearance.

Similarly, regulators may determine that our financial relationships with our principal investigators resulted in a perceived or actual conflict of interest that may have affected the interpretation of a study, the integrity of the data generated at the applicable clinical trial site or the utility of the clinical trial itself. Even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the product, which may limit the market for the product. Moreover, the FDA and European Union regulatory authorities strictly regulate the labeling, promotion and advertising of medical devices, including comparative and superiority claims vis a vis competitors' products, that may be made about products.

As a condition of approving a PMA application, the FDA may also require some form of post-approval study or post-market surveillance, whereby the applicant conducts a follow-up study or follows certain patient groups for a number of years and makes periodic reports to the FDA on the clinical status of those patients when necessary to protect the public health or to provide additional safety and effectiveness data for the device. Failure to conduct the post-approval study in compliance with applicable regulations or to timely complete required post-approval studies or comply with other post-approval requirements could result in withdrawal of approval of the PMA, which would harm our business.

In addition, we are required to timely file various reports with the FDA, including, Medical Device Reporting ("MDR"), that requires that we report to the regulatory authorities if our products may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur. If these reports are not filed in a timely manner, regulators may impose sanctions and we may be subject to product liability or regulatory enforcement actions, all of which could harm our business.

If we initiate a correction or removal action for our products to reduce a significant risk to health posed by our products, we would be required to submit a publicly available correction and removal report to the FDA and, in many cases, similar reports to other regulatory agencies. This report could be classified by the FDA as a device recall which could lead to increased scrutiny by the FDA, other international regulatory agencies and our customers regarding the quality and safety of our products. Furthermore, the submission of these reports could be used by competitors against us and cause doctors to delay or cancel procedures, which could harm our reputation.

The FDA and the Federal Trade Commission, or FTC, also regulate the advertising, promotion and labeling of our products to ensure that the claims we make are consistent with our regulatory clearances and approvals, that there is adequate and reasonable scientific data to substantiate the claims and that our promotional labeling and advertising is neither false nor misleading in any respect. If the FDA or FTC determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including adverse publicity and warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions.

The FDA and state authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA or state agencies, which may include any of the following sanctions:

- adverse publicity, warning letters, fines, injunctions, consent decrees and civil penalties;
- repair, replacement, refunds, recalls, termination of distribution, administrative detention or seizure of our products;
- operating restrictions, partial suspension or total shutdown of production;
- denial of our requests for 510(k) clearance or PMA of new products, new intended uses or modifications to existing products;
- withdrawal of 510(k) clearance or PMAs that have already been granted; and
- criminal prosecution.

If any of these events were to occur, our business and financial condition could be harmed. In addition, the FDA's and other regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our products. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability, which would adversely affect our business, financial condition and results of operations.

Our products and operations are subject to extensive government regulation and oversight in the U.S.

Medical devices regulated by the FDA are subject to "general controls" which include: registration with the FDA; listing commercially distributed products with the FDA; complying with all applicable requirements under the QMSR; filing reports with the FDA of and keeping records relative to certain types of adverse events associated with devices under the medical device reporting regulation; assuring that device labeling complies with device labeling requirements; reporting certain device field removals and corrections to the FDA; and obtaining pre-market notification 510(k) clearance for devices prior to marketing. Some devices known as "510(k)-exempt" devices can be marketed without prior marketing-clearance or approval from the FDA. In addition to the "general controls," some Class II medical devices are also subject to "special controls," including adherence to a particular guidance document and compliance with the performance standard. Instead of obtaining 510(k) clearance, most Class III devices are subject to PMA.

Although our products have received regulatory approval or clearance from FDA in the U.S. for a particular patient population, they will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies and submission of safety, effectiveness and other post-market information, including both federal and state requirements in the U.S. and requirements of comparable non-U.S. regulatory authorities in any international markets we choose to enter.

Any regulatory clearances or approvals that we have received for our products will be subject to limitations on the cleared or approved indicated uses for which the product may be marketed and promoted, will be subject to the conditions of approval, or will contain requirements for potentially costly post-marketing testing. We are required to report certain adverse events and production problems, if any, to the FDA and comparable foreign regulatory authorities. Any new legislation addressing product safety issues could result in increased costs to assure compliance. The FDA and other agencies, including the DOJ, closely regulate and monitor the post-clearance or approval marketing and promotion of products to ensure that they are marketed and distributed only for the cleared or approved indications and in accordance with the provisions of the cleared or approved labeling. We have to comply with requirements concerning advertising and promotion for our products.

Promotional communications with respect to devices are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the products' cleared or approved labeling. As such, we may not promote our products for indications or uses for which they do not have clearance or approval. We also received a 510(k) clearance for our contact lens, which is indicated for visualization and treatment in the anterior segment of the eye, and our reusable and single-use insertion devices. We train our marketing and sales force against promoting our products for uses outside of the cleared or approved indications for use, known as "off-label uses." However, doctors may use our products for off-label purposes and are allowed to do so when in the doctor's independent professional medical judgment he or she deems it appropriate. If the FDA determines that our promotional materials or training constitute promotion of an off-label or other improper use, or that our internal policies and procedures are inadequate to prevent such off-label uses, it could subject us to regulatory or enforcement actions as discussed below.

In addition, we cannot make comparative claims regarding the use of our products against any alternative treatments without conducting head-to-head comparative clinical studies, which would be expensive and time-consuming. If the FDA determines that our promotional, reimbursement or training materials for sales representatives or doctors constitute promotion of an off-label use, the FDA could request that we modify our training, promotional or reimbursement materials and/or subject us to regulatory or enforcement actions, including the issuance of an untitled letter, a warning letter, injunction, seizure, disgorgement of profits, significant penalties, including civil fines and criminal penalties. Other federal, state or foreign governmental authorities also might take action if they consider our promotion, reimbursement or training materials to constitute promotion of an off-label use, which could result in significant fines or penalties under other statutory authorities, such as laws prohibiting false claims for reimbursement. Although we train our sales force not to promote our products for off-label uses, and our instructions for use in all markets specify that our products are not intended for use outside of those indications cleared or approved for use, the FDA or another regulatory agency could conclude that we have engaged in off-label promotion. For example, the government may take the position that off-label promotion resulted in inappropriate reimbursement for an off-label use in violation of the federal civil False Claims Act for which it might impose significant civil fines and even pursue criminal action. In those possible events, our reputation could be damaged, and adoption of the products would be impaired.

If a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with our facility where the product is manufactured or disagrees with the promotion, marketing or labeling of a product, such regulatory agency may impose restrictions on that product or us, including requiring withdrawal of the product from the market.

If we fail to comply with applicable regulatory requirements, a regulatory agency or enforcement authority may, among other things:

- subject our facility to an adverse inspectional finding or Form 483, or other compliance or enforcement notice, communication or correspondence;
- issue warning or untitled letters that would result in adverse publicity or may require corrective advertising;
- impose civil or criminal penalties;
- suspend or withdraw regulatory clearances or approvals;
- refuse to clear or approve pending applications or supplements to approved applications submitted by us;
- impose restrictions on our operations, including closing our sub-assembly suppliers' facilities;
- seize or detain products; or
- require a product recall.

In addition, violations of the FDCA relating to the promotion of approved products may lead to investigations alleging violations of federal and state healthcare fraud and abuse and other laws, as well as state consumer protection laws.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenue from our products. If regulatory sanctions are applied or if regulatory clearance or approval is withdrawn, it would have a material adverse effect on our business, financial condition and results of operations.

In addition, the policies of the FDA and of comparable foreign regulatory authorities may change and additional laws, regulations and government actions may be enacted that could prevent, limit, or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature, or extent of government regulation that may arise from future legislation or administrative or executive action, either in the U.S. or abroad. Recently, the U.S. Supreme Court overruled the *Chevron* doctrine, which gave deference to regulatory agencies' statutory interpretations in litigation against federal government agencies, such as the FDA, where the law is ambiguous. This landmark Supreme Court decision may invite more companies and other stakeholders to bring lawsuits against the FDA to challenge longstanding decisions and policies of the FDA, which could undermine the FDA's authority, lead to uncertainties in the industry, and disrupt the FDA's normal operations, any of which could delay the FDA's review of our regulatory submissions. We cannot predict the full impact of this decision, future judicial challenges brought against the FDA, or the nature or extent of government regulation that may arise from future legislation or administrative action.

Further, under the current leadership at the HHS, agency reorganization, departure of high-profile regulators at the FDA, and reduction in force (RIF) initiative, or layoffs, may impact the normal operations at the FDA as well as other federal agencies. FDA may lack adequate staff and resources to meet current review, approval, and inspection schedules, which could delay our anticipated timelines. In January 2025, President Trump issued an executive order entitled "Unleashing Prosperity Through Deregulation", which calls for at least 10 existing regulations to be repealed whenever an executive department or agency publicly proposes for notice and comment or otherwise promulgates a new regulation. It is unclear how our industry and our clinical programs will be impacted by policies and regulations implemented under the current administration, or other executive orders. There is significant uncertainty in the industry and how federal agencies like the FDA will change in the coming years under the current administration. To the extent the agency reorganization and other agency changes lead to disruptions in FDA's operations, including changes resulting from executive orders; freeze on hiring, federal funding for research, and external communications; layoffs; return-to-office policies, and changes in funding for certain programs at the FDA, correspondence and regulatory review processes with the FDA may be materially delayed.

Material modifications to our products may require new 510(k) clearances or pre-market approvals or may require us to recall or cease marketing our products until clearances or approvals are obtained.

Modifications that could significantly affect the safety and effectiveness of our approved or cleared products, such as changes to the intended use or technological characteristics of our products, will require new PMA, PMA Supplements or 510(k) clearances or require us to recall or cease marketing the modified devices until these clearances or approvals are obtained. Based on FDA published guidelines, the FDA requires device manufacturers to initially make and document a determination of whether or not a modification requires a new approval, supplemental approval or clearance; however, the FDA can review a manufacturer's decision. Any modification to an FDA-cleared device that could significantly affect its safety or efficacy or that would constitute a major change in its intended use would require a new 510(k) clearance or possibly a PMA. We may not be able to obtain the required 510(k) clearances or PMAs, or PMA supplements, or similar marketing authorization in applicable foreign jurisdictions, for new products or for modifications to, or additional indications for, our products in a timely fashion, or at all. Delays in obtaining required future clearances or approvals would adversely affect our ability to introduce new or enhanced products in a timely manner, which in turn would harm our future growth. We have made modifications to our products in the past and expect to make additional modifications in the future that we believe do not or will not require additional clearances or approvals. If the FDA or a comparable foreign regulatory authority disagrees and requires new clearances or approvals for these modifications, we may be required to recall and to stop selling or marketing such products as modified, which could harm our operating results and require us to redesign such products. In these circumstances, we may be subject to significant enforcement actions.

Obtaining and maintaining regulatory approval of our current and future products in one jurisdiction does not mean that we will be successful in obtaining regulatory approval of our current and future products in other jurisdictions. The FDA and other comparable foreign regulatory authorities may not accept data from clinical trials conducted in locations outside of their jurisdiction.

Obtaining and maintaining regulatory approvals or clearances of our current and future products in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction. For example, even if the FDA grants marketing approval or clearance of a current or future product, comparable regulatory authorities in foreign jurisdictions must also approve or clear the manufacturing, marketing and promotion and reimbursement of a current or future product in those countries. However, a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from those in the U.S., including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the U.S., a product must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to approval.

The RxSight system is approved for certain uses, including improving uncorrected visual acuity by adjusting the LAL power to correct residual postoperative refractive error. Obtaining additional foreign regulatory approvals and establishing and ensuring compliance with foreign regulatory requirements in jurisdictions where we conduct business currently or in the future, could be time-consuming and expensive, and could delay the introduction of our products in certain countries. If we or any future collaborator fail to comply with the regulatory requirements in international markets or fail to receive applicable marketing approvals or clearances, our target market will be reduced and our ability to realize the full market potential of our current and future products will be harmed.

In addition, we have conducted clinical trials in Mexico and may choose to conduct further international clinical trials. The acceptance of study data by the FDA or other comparable foreign regulatory authority from clinical trials conducted outside of their respective jurisdictions may be subject to certain conditions. In cases where data from foreign clinical trials are intended to serve as the basis for marketing approval in the U.S., the FDA will generally not approve the application on the basis of foreign data alone unless (1) the data are applicable to the U.S. population and U.S. medical practice; (2) the clinical trials are performed by clinical investigators of recognized competence and pursuant to current good clinical practices regulations; and (3) audits by regulatory authorities of the clinical data do not identify significant data integrity issues. Additionally, the FDA's clinical trial requirements, including the adequacy of the patient population studied and statistical powering, must be met. In addition, such foreign clinical trials are subject to the applicable local laws of the foreign jurisdictions where the clinical trials are conducted. There can be no assurance that the FDA or any applicable foreign regulatory authority will accept data from clinical trials conducted outside of its applicable jurisdiction. If the FDA or any applicable foreign regulatory authority does not accept such data, it would result in the need for additional clinical trials, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our products not receiving approval or clearance for commercialization in the applicable jurisdiction.

Our products may be subject to recalls after receiving FDA or foreign approval or clearance, which could divert managerial and financial resources, harm our reputation and adversely affect our business.

The FDA and similar foreign governmental authorities have the authority to require the recall of our products because of any failure to comply with applicable laws and regulations, or defects in design or manufacture. A government mandated or voluntary product recall by us could occur because of, for example, component failures, device malfunctions or other adverse events, such as serious injuries or deaths, or quality-related issues, such as manufacturing errors or design or labeling defects. Any future recalls of our products could divert managerial and financial resources, harm our reputation and adversely affect our business.

If we initiate a correction or removal for one of our devices to reduce a risk to health posed by the device, we would be required to submit a publicly available Correction and Removal report to the FDA and, in many cases, similar reports to other regulatory agencies. This report could be classified by the FDA as a device recall which could lead to increased scrutiny by the FDA, other international regulatory agencies and our customers regarding the quality and safety of our devices. Furthermore, the submission of these reports has been and could be used by competitors against us in competitive situations and cause customers to delay purchase decisions or cancel orders and would harm our reputation.

In addition, we are subject to medical device reporting regulations that require us to report to the FDA or similar foreign governmental authorities if one of our products may have caused or contributed to a death or serious injury or if we become aware that it has malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction recurred. Failures to properly identify reportable events or to file timely reports, as well as failure to address each of the observations to the FDA's satisfaction, can subject us to sanctions and penalties, including warning letters and recalls.

Doctors may make similar reports to regulatory authorities. Any such reports may trigger an investigation by the FDA or similar foreign regulatory bodies, which could divert managerial and financial resources, harm our reputation and have a material adverse effect on our business, financial condition and results of operations.

If we, or our suppliers, fail to comply with the FDA's QMSR or other applicable foreign regulations, our manufacturing or distribution operations could be delayed or shut down and our revenue could suffer.

Our manufacturing and design processes and those of our third-party component suppliers are required to comply with the FDA's QMSR, which covers procedures and documentation of the design, testing, production, control, quality assurance, labeling, packaging, storage and shipping of our products in the U.S. We are also subject to similar state requirements and licenses, and to ongoing ISO 13485 compliance in our operations, including design, manufacturing, and service, to maintain our CE Mark in Europe. In addition, we must engage in extensive recordkeeping and reporting and must make available our facilities and records for periodic unannounced inspections by governmental agencies, including the FDA, state authorities, EU Notified Bodies, and comparable agencies in other countries. Further, under the FDA final rule, issued in February 2024, the QMSR went into effect on February 2, 2026, replacing the former Quality System Regulation, and incorporates by reference the quality management system requirements of ISO 13485:2016. If we or any of our suppliers or contractors fail to meet the regulatory requirements or a regulatory inspection, our operations could be disrupted and our manufacturing interrupted. Failure to take timely and adequate corrective action in response to an adverse regulatory inspection could result in, among other things, a shutdown of our manufacturing or product distribution operations, significant fines, suspension of marketing clearances and approvals, seizures or recalls of our device, operating restrictions and criminal prosecutions, any of which would cause our business to suffer. Furthermore, our key component suppliers may not currently be or may not continue to be in compliance with applicable regulatory requirements, which may result in manufacturing delays for our products and cause our revenue to decline.

The FDA has broad post-market and regulatory enforcement powers. We are subject to unannounced inspections by the FDA and the Food and Drug Branch of the California Department of Public Health ("CDPH"), and our Notified Body to determine our compliance with the QSR and other regulations at both our design and manufacturing facilities, and these inspections may include the manufacturing facilities of our suppliers.

If we do not remain in material compliance with the QMSR, or if the FDA, CDPH, or any applicable notified body in the European Union or United Kingdom inspects any of our facilities and discover compliance problems, we may have to cease manufacturing and product distribution until we can take the appropriate remedial steps to correct the audit findings. Taking corrective action may be expensive, time consuming and a distraction for management and if we experience a delay at our manufacturing facility, we may be unable to produce our products, which would harm our business.

Healthcare reform initiatives and other administrative and legislative proposals may adversely affect our business, financial condition, results of operations and cash flows in our key markets.

There have been and continue to be proposals by the federal government, state governments, regulators and third-party payors to control or manage the increased costs of healthcare and, more generally, to reform the U.S. healthcare system. Certain of these proposals could limit the prices we are able to charge for our products or the coverage and reimbursement available for our products and could limit the acceptance and availability of our products. The adoption of proposals to control costs could have a material adverse effect on our business, financial condition and results of operations.

For example, in the U.S., in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, together, the Affordable Care Act ("ACA"), was enacted. The ACA is a sweeping measure intended to expand healthcare coverage within the U.S., primarily through the imposition of health insurance mandates on employers and individuals, the provision of subsidies to eligible individuals enrolled in plans offered on the health insurance exchanges and the expansion of the Medicaid program. The ACA has impacted existing government healthcare programs and has resulted in the development of new programs.

Certain provisions of the ACA have been subject to judicial and Congressional challenges. For example, various portions of the ACA have been the subject of legal and constitutional challenges, including legal proceedings in the Fifth Circuit Court of Appeals. In June 2021, the U.S. Supreme Court held that Texas and other challengers had no legal standing to challenge the ACA, dismissing the case on procedural grounds without specifically ruling on the constitutionality of the ACA. Thus, the ACA will remain in effect in its current form. It is unclear how this Supreme Court decision, future litigation, and healthcare measures promulgated by the new Trump administration will impact the ACA, our business, financial condition and results of operations. Complying with any new legislation or reversing changes implemented under the ACA could be time-intensive and expensive, resulting in a material adverse effect on our business.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. On August 2, 2011, the Budget Control Act of 2011 was signed into law, which, among other things, includes reductions to Medicare payments to providers of, on average, 2% per fiscal year, which went into effect on April 1, 2013, which, due to subsequent legislative amendments, will stay in effect through 2032, with the exception of a temporary suspension implemented under various COVID-19 relief legislation. In January 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These new laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on customers for our products, if approved, and accordingly, our financial operations. There is no assurance that the ACA, as currently enacted or as amended in the future, will not harm our business and financial results, and we cannot predict how future federal or state legislative or administrative changes relating to healthcare reform will affect our business.

There likely will continue to be legislative and regulatory proposals at the federal and state levels directed at containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future or their full impact. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare may harm:

- our ability to set a price that we believe is fair for our products;
- our ability to generate revenue and achieve or maintain profitability; and
- the availability of capital.

Further, 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 and enacted federal legislation designed to bring transparency to product pricing and reduce the cost of products and services under government healthcare programs. While some of these measures may require additional authorization to become effective, Congress and the federal administration have each indicated that it will continue to seek new legislative and/or administrative measures to control healthcare costs. Additionally, individual states in the U.S. have also increasingly passed legislation and implemented 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. Moreover, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what products to purchase and which suppliers will be included in their healthcare programs. Adoption of price controls and other cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures may prevent or limit our ability to generate revenue and attain profitability. Various new healthcare reform proposals are emerging at the federal and state level. Any new federal and state healthcare initiatives that may be adopted could limit the amounts that federal and state governments will pay for healthcare products and services and could have a material adverse effect on our business, financial condition and results of operations.

If we fail to comply with U.S. federal and state fraud and abuse and other healthcare laws and regulations, we could face substantial penalties and our business operations and financial condition could be adversely affected.

Healthcare providers and third-party payors play a primary role in the distribution, recommendation, ordering and purchasing of any medical device for which we have or obtain marketing clearance or approval. Through our arrangements with principal investigators, healthcare professionals, third-party payors and customers, we are exposed to broadly applicable anti-fraud and abuse, anti-kickback, false claims and other healthcare laws and regulations that may constrain our business, our arrangements and relationships with customers, and how we market, sell and distribute our marketed medical devices. We have a compliance program, a Code of Conduct and associated policies and procedures, but it is not always possible to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent noncompliance may not be effective in protecting us from governmental investigations for failure to comply with applicable fraud and abuse or other healthcare laws and regulations.

In the U.S., we are subject to various state and federal anti-fraud and abuse laws, including, without limitation, the federal healthcare Anti-Kickback Statute and federal civil False Claims Act. There are similar laws in other countries. Our current and future arrangements with healthcare providers, third-party payors, customers, and others may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations, which may constrain the business or financial arrangements and relationships through which we research, as well as, sell, market, and distribute any products for which we obtain marketing approval. Healthcare fraud and abuse laws and related regulations are complex, and even minor irregularities can potentially give rise to claims that a statute or prohibition has been violated. The laws that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which makes it illegal for any person, including a prescription drug or medical device manufacturer (or a party acting on its behalf), to knowingly and willfully solicit, receive, offer or pay any remuneration that is intended to induce or reward referrals, including the purchase, recommendation, or order of, items or services for which payment may be made, in whole or in part, under a federal healthcare program, such as Medicare or Medicaid. Moreover, the ACA provides that 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 civil False Claims Act;
- the Federal False Claims Act, including its civil provisions that can be enforced by private citizens through civil whistleblower or qui tam actions, and civil monetary penalties prohibiting individuals or entities from, among other things, knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government, and/or impose exclusions from federal health care programs and/or penalties for parties who engage in such prohibited conduct;
- the Federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which prohibits, among other things, executing or attempting to execute a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, and their implementing regulations also impose obligations on covered entities such as health insurance plans, healthcare clearinghouses, and certain health care providers and their respective business associates and their covered subcontractors, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- the federal Physician Payments Sunshine Act, also referred to as the CMS Open Payments, which requires applicable manufacturers of covered drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, with specific exceptions, to annually report to CMS information regarding certain payments and other transfers of value to covered recipients, including physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician healthcare professionals (such as physician assistants and nurse practitioners, among others) and teaching hospitals, as well as information regarding ownership and investment interests held by physicians and their immediate family members; and

- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws which may apply 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 biotechnology companies to comply with the biotechnology industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state and local laws that require medical device manufacturers to report information related to payments and other transfers of value to doctors or marketing expenditures and require the registration of their sales representatives; state laws that require medical device companies to report information on the pricing of certain medical device products; and state and foreign laws that govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

State and federal regulatory and enforcement agencies continue to actively investigate violations of healthcare laws and regulations, and the U.S. Congress continues to strengthen the arsenal of enforcement tools. Most recently, the Bipartisan Budget Act of 2018 ("BBA"), increased the criminal and civil penalties that can be imposed for violating certain federal health care laws, including the Anti-Kickback Statute. Enforcement agencies also continue to pursue novel theories of liability under these laws. In particular, government agencies recently have increased regulatory scrutiny and enforcement activity with respect to manufacturer reimbursement support activities and patient support programs, including bringing criminal charges or civil enforcement actions under the Anti-Kickback Statute, federal civil False Claims Act and HIPAA's healthcare fraud and privacy provisions.

Because of the breadth of these laws and the narrowness of available statutory and regulatory exemptions or safe harbors, it is possible that some of our activities, such as stock-option compensation paid to doctors that have entered into consulting agreements with us, could be subject to challenge under one or more of such laws. Any action brought against us for violations of these laws or regulations, even successfully defended, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. We may be subject to private "qui tam" actions brought by individual whistleblowers on behalf of the federal or state governments.

The growth of our business and sales organization and our expansion outside of the U.S. may increase the potential of violating these laws or our internal policies and procedures. The risk of our being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of the federal, state and foreign laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, we may be subject to penalties, including significant criminal, civil, and administrative penalties, damages, fines, imprisonment of individuals, exclusion from participation in government programs, such as Medicare and Medicaid, and we could be required to curtail or cease our operations. Any of the foregoing consequences could seriously harm our business and our financial results.

Achieving and sustaining compliance with applicable federal and state anti-fraud and abuse laws may prove costly. If we or our employees are found to have violated any of the above laws we may be subjected to substantial criminal, civil and administrative penalties, including imprisonment, exclusion from participation in federal healthcare programs, such as Medicare and Medicaid, and significant fines, monetary penalties, forfeiture, disgorgement and damages, contractual damages, reputational harm, administrative burdens, 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 our financial results. Any action or investigation against us for the violation of these healthcare fraud and abuse laws, even if successfully defended, could result in significant legal expenses and could divert our management's attention from the operation of our business. Companies settling federal civil False Claims Act, Anti-Kickback Statute or civil monetary penalties law cases also may be required to enter into a Corporate Integrity Agreement with the OIG in order to avoid exclusion from participation (i.e., loss of coverage for their products) in federal healthcare programs such as Medicare and Medicaid. Corporate Integrity Agreements typically impose substantial costs on companies to ensure compliance. Defending against any such actions can be costly, time-consuming and may require significant personnel resources, and may have a material adverse effect on our business, financial condition and results of operations.

Changes in the CMS fee schedules may harm our revenue and operating results.

Government payers, such as CMS as well as insurers, have increased their efforts to control the cost, utilization and delivery of healthcare services. From time to time, the U.S. Congress has considered and implemented changes in the CMS fee schedules in conjunction with budgetary legislation. Reductions of reimbursement by Medicare or Medicaid for procedures that use our products or changes in policy regarding coverage of these procedures, such as adding requirements for payment, or prior authorizations, may be implemented from time to time. Reductions in the reimbursement rates and changes in payment policies of other third-party payers may occur as well. Similar changes in the past have resulted in reduced payments for procedures that use medical device products as well as added costs and have added more complex regulatory and administrative requirements. Further changes in federal, state, local and third-party payer regulations or policies may have a material adverse impact on the demand for our products and on our business. Actions by agencies regulating insurance or changes in other laws, regulations, or policies may also have a material adverse effect on our business, financial condition and results of operations.

Legislative or regulatory reforms may make it more difficult and costly for us to obtain regulatory clearance or approval of our planned or future products and to manufacture, 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 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 and our products. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of planned or future products. It is impossible to predict whether legislative changes will be enacted, or FDA regulations, guidance or interpretations changed, and what the impact of such changes, if any, may be.

In June 2024, the U.S. Supreme Court overruled the Chevron doctrine, which gave deference to regulatory agencies' statutory interpretations in litigation against federal government agencies where the law is ambiguous. This landmark Supreme Court decision may invite more stakeholders to bring lawsuits against the FDA and other federal agencies to challenge longstanding decisions and policies, which could lead to uncertainties in the industry. Further, changes in the leadership of the FDA and other federal agencies under the new Trump administration may lead to new policies and changes in the regulations that can increase our compliance costs. Any change in the laws or regulations that govern the clearance and approval processes relating to our current, planned and future products could make it more difficult and costly to obtain clearance or approval for new products or to produce, market and distribute existing products. Significant delays in receiving clearance or approval or the failure to receive clearance or approval for our new products would have an adverse effect on our ability to expand our business.

Compliance with the EU Medical Device Regulation, applicable regulations in the United Kingdom, and other applicable foreign regulations, as well as any changes to existing regulations, may be costly and disruptive to our business, and expose us to increased liability.

In 2017, the European Union ("EU") published the new EU Medical Device Regulation ("EU MDR") (2017/745), the application of which was postponed until May 26, 2021 for class I devices (lowest risk) and May 26, 2024 for all other class devices (higher risk devices). In February 2023, EU Parliament voted to extend the EU MDR transition timelines, which postpones application until December 2027 for higher-risk Class III and implantable IIb devices and until December 2028 for lower-risk Class I and IIa devices. The new regulations replace predecessor directives and emphasize a global convergence of regulations. With the transition from the Medical Devices Directive ("MDD"), to the EU MDR, notified bodies are required to seek designation to operate as conformity assessment authorities under the new law. While we are currently in compliance with the EU MDR and in process of transferring certification from MDD to EU MDR, compliance with any new or changing regulations in the EU or other jurisdictions where we currently commercialize our products or intend to commercialize in the future is a time consuming process that may require comprehensive quality system audits and new conformity assessment certifications for our products. Major changes include:

- reclassification of some products;
- greater emphasis on clinical data;
- data transparency, including publication of clinical trial data and safety summaries;

- defined content and structure for technical files to support registration;
- unique device identification system;
- greater burden on post-market surveillance and clinical follow-up;
- reduction of adverse event reporting time from 30 to 15 days after the event;
- delayed review times; and
- more power to notified bodies.

Implementation of the Medical Device Regulations introduces substantial changes to the obligations with which medical device manufacturers must comply in the EU. High risk medical devices will be subject to additional scrutiny during the conformity assessment procedure. For any products that we may develop in the future, complying with these new regulations may result in Europe being less attractive as a "first market" destination. Marketing authorization timelines will become more protracted and the costs of operating in Europe will increase. A significantly more costly path to regulatory compliance is anticipated.

Our clinical trials may fail to demonstrate competent and reliable evidence of the safety and effectiveness of our products, which would prevent or delay commercialization of our products in development.

We may be required to conduct clinical studies that demonstrate competent and reliable evidence that our products are safe and effective before we can commercialize our products. Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. We cannot be certain that our planned clinical trials or any other future clinical trials will be successful. In addition, even if such clinical trials are successfully completed, we cannot guarantee that the FDA or foreign regulatory authorities will interpret the results as we do, and more clinical trials could be required before we submit our products for approval. To the extent that the results of the clinical trials are not satisfactory to the FDA or foreign regulatory authorities for support of a marketing application, we may be required to expend significant resources, which may not be available to us, to conduct additional clinical trials in support of potential approval of our products. Even if regulatory approval is secured for any of our products, the terms of such approval may limit the scope and use of our products, which may also limit their commercial potential.

Defects or failures associated with our products could lead to recalls, safety alerts or litigation, as well as significant costs and negative publicity.

Our business is subject to significant risks associated with manufacture, distribution and use of medical devices that are placed inside the human body, including the risk that patients may be severely injured by or even die from the misuse or malfunction of our products caused by design flaws or manufacturing defects. In addition, component failures, design defects, off-label uses, or inadequate disclosure of product-related information could also result in an unsafe condition or the injury or death of a patient. These problems could lead to a recall or market withdrawal of, or issuance of a safety alert relating to, our products and result in significant costs, negative publicity and adverse competitive pressure. The circumstances giving rise to recalls are unpredictable, and any recalls of existing or future products could have a material adverse effect on our business, financial condition and results of operations.

We provide warranties on our products. As a result, we bear the risk of potential warranty claims on our products. In the event that we attempt to recover some or all of the expenses associated with a warranty claim against us from our suppliers or vendors, we may not be successful in claiming such recovery, or any recovery from such vendor or supplier may be inadequate or unavailable.

The medical device industry has historically been subject to extensive litigation over product liability claims. We may be subject to product liability claims if our products cause, or merely appear to have caused, an injury or death, even if due to doctor error. In addition, an injury or death that is caused by the activities of our suppliers, such as those that provide us with components and raw materials, or by an aspect of a treatment used in combination with our products, such as a complementary drug or anesthesia, may be the basis for a claim against us by patients, doctors or others purchasing or using our products, even if our products were not the actual cause of such injury or death. We may choose to settle any claims to avoid a determination of fault, even if we believe fault was not due to failure of our products. An adverse outcome involving one of our products could result in reduced market acceptance and demand for such products or any or all of our other products and could harm our brand and reputation and our ability to market our products in the future. In some circumstances, adverse events arising from or associated with the design, manufacture or marketing of our products could result in the suspension or delay of regulatory reviews of our premarket notifications or applications for marketing. Any of the foregoing problems could disrupt our business and have a material adverse effect on our business, financial condition and results of operations.

Although we carry product liability insurance in the U.S. and in other countries in which we conduct business, including for clinical trials and product marketing, we can give no assurance that such coverage will be available or adequate to satisfy any claims. Product liability insurance is expensive, subject to significant deductibles and exclusions, and may not be available on acceptable terms, if at all. If we are unable to obtain or maintain insurance at an acceptable cost or on acceptable terms with adequate coverage or otherwise protect against potential product liability claims, we could be exposed to significant liabilities. A product liability claim recall or other claim with respect to uninsured liabilities or for amounts in excess of insured liabilities could have a material adverse effect on our business, financial condition and results of operations. Defending a suit, regardless of its merit or eventual outcome, could be costly, could divert management's attention from our business and might result in adverse publicity, which could result in reduced acceptance of our products in the market, product recalls or market withdrawals.

We are required to file adverse event reports under MDR, regulations with the FDA that are publicly available on the FDA's website. We are required to file MDRs if our products may have caused or contributed to a serious injury or death or malfunctioned in a way that could likely cause or contribute to a serious injury or death if it were to recur. Any such MDR that reports a significant adverse event could result in negative publicity, which could harm our reputation and future sales. If we fail to report events required to be reported to the FDA within the required timeframes, or at all, the FDA could take enforcement action and impose sanctions against us. Any such adverse event involving our products also could result in future voluntary corrective actions, such as recalls or customer notifications, or agency action, such as inspection or enforcement action. Any corrective action, whether voluntary or involuntary, as well as defending ourselves in a lawsuit, would require our time and capital, distract management from operating our business and may harm our reputation and have a material adverse effect on our business, financial condition and results of operations.

Our employees, independent contractors, consultants, commercial partners, distributors and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk that our employees, independent contractors, consultants, commercial partners, distributors and vendors may engage in fraudulent or illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates: (i) the laws of the FDA and other similar foreign regulatory bodies, including those laws requiring the reporting of true, complete and accurate information to such regulators; (ii) manufacturing standards; (iii) healthcare fraud and abuse laws in the U.S. and similar foreign fraudulent misconduct laws; or (iv) laws that require the true, complete and accurate reporting of financial information or data. These laws may impact, among other things, future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commissions, certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials.

We have adopted a code of business conduct and ethics, but it is not always possible to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant fines or other sanctions, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, disgorgement, individual imprisonment, additional integrity reporting and oversight obligations, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings and curtailment of operations, any of which could adversely affect our ability to operate our business and our results of operations. Whether or not we are successful in defending against any such actions or investigations, we could incur substantial costs, including legal fees, and divert the attention of management in defending ourselves against any of these claims or investigations, which could have a material adverse effect on our business, financial condition and results of operations.

Environmental health and safety laws may result in liabilities, expenses and restrictions on our operations. Failure to comply with environmental laws and regulations could subject us to significant liability.

Our research and development and manufacturing operations involve the use of hazardous substances and are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, discharge, disposal, remediation of, and human exposure to, hazardous substances and the sale, labeling, collection, recycling, treatment and disposal of products containing hazardous substances. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence. Compliance with environmental laws and regulations may be expensive and noncompliance could result in substantial liabilities, fines and penalties, personal injury and third-party property damage claims and substantial investigation and remediation costs. Environmental laws and regulations could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations. There is no assurance that violations of these laws and regulations will not occur in the future or have not occurred in the past as a result of human error, accidents, equipment failure or other causes. The expense associated with environmental regulation and remediation could harm our financial condition and operating results.

Federal, state, local and foreign laws regarding environmental protection, hazardous substances and human health and safety may adversely affect our business. Our research and development and manufacturing operations involve the use of hazardous substances and are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, discharge, disposal and remediation of, as well as human exposure to, hazardous substances and the sale, labeling, collection, recycling, treatment and disposal of products containing hazardous substances. These operations are permitted by regulatory authorities, and the resultant waste materials are disposed of in material compliance with environmental laws and regulations. Using hazardous substances in our operations exposes us to the risk of accidental injury, contamination or other liability from the use, storage, importation, handling or disposal of hazardous materials. If our or our suppliers' operations result in the contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and fines, and any liability could significantly exceed our insurance coverage and have a material adverse effect on our on our business, financial condition and results of operations. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence. Compliance with environmental laws and regulations may be expensive, and non-compliance could result in substantial liabilities, fines and penalties, personal injury and third-party property damage claims and substantial investigation and remediation costs. Environmental laws and regulations could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations. There is no assurance that violations of these laws and regulations will not occur in the future or have not occurred in the past as a result of human error, accidents, equipment failure or other causes. The expense associated with environmental regulation and remediation could harm our business, financial condition and results of operation.

We face risks related to our collection and use of data, which could result in investigations, inquiries, litigation, fines, legislative and regulatory action and negative press about our privacy and data and security protection practices.

Our business processes personal data, including some data related to health. When conducting clinical trials, we face risks associated with collecting clinical trial participants' data, especially health data, in a manner consistent with applicable laws and regulations, such as the Common Rule ("GCP") guidelines, or FDA human subject protection regulations. We also face risks inherent in handling large volumes of data and in protecting the security of such data. We have been and could again be subject to attacks on our systems by outside parties, or by fraudulent or inappropriate behavior by our service providers or employees. Third parties may also gain access to users' accounts using stolen or inferred credentials, computer malware, viruses, spamming, sim-swap attacks, phishing attacks or other means, and may use such access to obtain users' personal data or prevent use of their accounts. Data breaches or other incidents could result in a violation of applicable U.S. and international privacy, data protection, security and other laws, and subject us to individual or consumer class action litigation and governmental investigations and proceedings by federal, state and local regulatory entities in the U.S. and by international regulatory entities, resulting in exposure to material civil and/or criminal liability. Further, our general liability insurance and corporate risk program may not cover all potential claims to which we are exposed and may not be adequate to indemnify us for all liability that may be imposed.

This risk is enhanced in certain jurisdictions and, as we expand our operations domestically and internationally, we may be subject to additional laws in other jurisdictions. Any failure, or perceived failure, by us to comply with privacy, data protection or security laws, rules and regulations could result in proceedings or actions against us by governmental entities or others. These proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business. In the U.S., various federal and state regulators, including governmental agencies like the Consumer Financial Protection Bureau and the Federal Trade Commission, have adopted, or are considering adopting, laws, regulations or rules concerning personal information and data security and have prioritized privacy and security violations for enforcement actions. Additionally, in the U.S., California adopted the CCPA in January 2020, which requires certain companies that process information of California residents to, among other things, provide certain disclosures to California residents and afford them abilities to exercise certain rights with respect to their personal information and opt out of certain sales of personal information, in addition to severely limiting our ability to use their information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the unauthorized access and exfiltration, theft, or disclosure of personal information. Furthermore, in November 2020, California voters passed the CPRA, which became effective January 1, 2023. The CPRA imposes additional obligations on covered companies and significantly modifies the CCPA, including by expanding California residents' rights with respect to certain sensitive personal information. Other states have proposed or enacted privacy laws that are similar to the CCPA and CPRA, further complicating the legal landscape. Further, other states have enacted laws that cover certain aspects of the collection, use, disclosure, and/or other processing of health information, such as Washington's My Health, My Data Act, which, among other things, provides for a private right of action. Similar legislation has been proposed, and in certain cases enacted, in other states. It remains unclear how various provisions of the CCPA and these other new and evolving state laws will be interpreted and enforced. In addition, laws in all 50 states require businesses to provide notice to consumers whose personal information has been accessed or acquired as a result of a data breach (and, in some cases, to regulators). The effects of the CCPA, CPRA and other laws relating to privacy, data protection and cybersecurity are potentially significant, and may require us to modify our practices and policies and to incur substantial costs and expenses in an effort to comply.

In addition, we are subject to international laws, regulations and standards in many jurisdictions, which apply broadly to the collection, use, retention, security, disclosure, transfer and other processing of personal information. For example, the GDPR, which was adopted by the EU and became effective in May 2018, applies extraterritorially and imposes several stringent requirements for controllers and processors of personal data, including, for example, higher standards for obtaining consent from individuals to process their personal data, more robust disclosures to individuals and a strengthened individual data rights regime, shortened timelines for data breach notifications, limitations on retention of information, increased requirements pertaining to special categories of personal data and pseudonymized (i.e., key-coded) data and additional obligations when we contract third-party processors in connection with the processing of the personal data.

The GDPR provides that EU member states may make their own laws and regulations limiting the (i) processing of personal data, including special categories of data (e.g., racial or ethnic origin, political opinions, religious or philosophical beliefs) and (ii) profiling and automated individual decision-making of individuals, which could limit our ability to use and share personal data or other data and could cause our costs to increase, harming our business and financial condition. Non-compliance with the GDPR can be subject to significant penalties, including fines of up to €20 million or 4% of total worldwide revenue, whichever is greater. Interpretations of the GDPR by local data protection authorities in EU member states, along with the complexity of the regime itself, create uncertainty regarding the interpretation and enforcement of the law, with potential inconsistencies across EU member states. Other jurisdictions outside the EU are similarly introducing or enhancing laws and regulations relating to privacy, data protection or security, which enhances risks relating to compliance with such laws. Further, the United Kingdom has adopted the UK General Data Protection Regulation and UK Data Protection Act, which retain the GDPR in the United Kingdom's national law and provide for a penalty structure similar to that of the GDPR. The UK enacted the UK Data (Use and Access) Act 2025 on June 19, 2025, which made targeted amendments to the UK GDPR and the UK Data Protection Act. These developments have required us to review and modify the means by which we process personal data and may require us to make other modifications. The implementation and enforcement of the GDPR and other evolving legislation may subject us to enforcement risk and requirements to change certain of our data collection, data processing and other policies and practices. We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages. If any of these events were to occur, our business and financial results could be adversely affected.

Additionally, we are subject to laws and regulations regarding cross-border transfers of personal data, including laws relating to transfer of personal data outside of the European Economic Area ("EEA"), Switzerland, and the United Kingdom. We rely on transfer mechanisms permitted under these laws, such as the EU Standard Contractual Clauses ("SCCs"). Such mechanisms have received heightened regulatory and judicial scrutiny in recent years. The Court of Justice of the European Union ("CJEU") issued a decision in 2020 invalidating a transfer of personal data from the EEA and Switzerland to the U.S. and imposing additional obligations on companies using the SCCs. The European Commission has adopted new SCCs and the United Kingdom has adopted its own new standard contractual clauses. In June 2021, the European Commission issued an adequacy decision in respect of the United Kingdom's data protection framework, enabling data transfers from EU member states to the United Kingdom to continue without requiring contractual or other additional measures. This adequacy decision was renewed in 2025 to extend until December 2031, but remains subject to revocation at any point. Any nonrenewal or revocation of, or modifications to, this adequacy decision could lead to additional costs and increase our overall risk exposure. The U.S. Department of Justice also has issued rules regarding certain bulk sensitive personal data transfers. These developments and other regulatory guidance or developments may impose additional obligations with respect to cross-border data transfers, all of which could restrict our activities in certain jurisdictions, limit our ability to provide our products and services in certain jurisdictions, require us to modify our policies and practices, and to engage in additional contractual negotiations, or increase our costs and obligations and impose limitations upon our ability to efficiently transfer personal data across borders. Any of these events, if occurring, could adversely affect the manner in which we provide our services and thus materially affect our operations and financial results.

Because the interpretation and application of laws, regulations, standards and other obligations relating to privacy, data protection and security are still uncertain, it is possible that these laws, regulations, standards and other obligations may be interpreted and applied in a manner that is, or is alleged to be, inconsistent with our practices and policies. Any noncompliance, or perceived noncompliance, with laws, regulations, standards and other obligations or changes in interpretations or applications of existing laws, regulations, standards and other obligations, may subject us to fines, audits, inquiries, whistleblower complaints, adverse media coverage, investigations, lawsuits, loss of export privileges, severe criminal or civil sanction or other penalties. Additionally, although we endeavor to comply with our public statements and documentation, we may at times fail to do so or be alleged to have failed to do so. The publication of our privacy policies and other statements that provide notices and representations about privacy, data protection or security can subject us to potential government or legal action if they are found to be deceptive, unfair or misrepresentative of our actual practices. Any concerns about our privacy, data protection or security practices, even if unfounded, could damage the reputation of our businesses and discourage potential users from our products and services. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects.

Inadequate 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 business 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 the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result.

Disruptions at the FDA and other agencies, including delays, travel restrictions, and staffing shortages, may also slow the time necessary for new medical devices to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. The FDA may not be able to continue its current inspection pace or may be unable to complete required inspections during the review period, which can delay clinical development and result in a complete response letter. Disruptions at the FDA could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Our global operations can expose us to numerous and sometimes conflicting legal and regulatory requirements, including to anti-bribery and anti-corruption laws, such as the FCPA and the U.K. Bribery Act, and violation of these requirements could result in substantial penalties and prosecution and harm our business.

We have commercialized the RxSight system outside of the U.S., and each component is registered with the MHRA in the United Kingdom. We are subject to numerous, and sometimes conflicting, legal regimes in the countries in which we operate, including on matters as diverse as health and safety standards, marketing and promotional activities, anticorruption, import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, immigration, internal and disclosure control obligations, securities regulation, anti-competition, data protection privacy, security and labor relations. This includes in emerging markets where legal systems may be less familiar to us. We strive to abide by and maintain compliance with these laws and regulations. Compliance with diverse legal requirements is costly, time-consuming and requires significant resources. Violations of one or more of these regulations in the conduct of our business could result in significant fines, criminal sanctions against us or our officers, prohibitions on doing business and damage to our reputation. Violations of these regulations in connection with the performance of our obligations to our customers also could result in liability for significant monetary damages, fines and/or criminal prosecution, unfavorable publicity and other reputational damage, restrictions on our ability to process information and allegations by our customers or distributors that we have not performed our contractual obligations. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws might be insufficient to protect our rights.

Our operations outside of the U.S. are subject to various heavily enforced anti-bribery and anti-corruption laws, such as the FCPA, U.K. Bribery Act and similar laws around the world. These laws generally prohibit U.S. companies and their employees and intermediaries from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business or gaining any advantage. We face significant risks if we, which includes our third-party business partners and intermediaries, fail to comply with the FCPA or other anti-corruption and anti-bribery laws. Responding to any enforcement action or related investigation may result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. Any violation of the FCPA or other applicable anti-bribery, anti-corruption or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U.S. government contracts, which could have a material and adverse effect on our business, financial condition and results of operations.

Our international operations could be affected by changes in laws, trade regulations, labor and employment regulations, and procedures and actions affecting approval, products and solutions, pricing, reimbursement and marketing of our products and solutions, as well as by inter-governmental disputes. Any of these changes could adversely affect our business. The imposition of new laws or regulations, including potential trade barriers, may increase our operating costs, impose restrictions on our operations or require us to spend additional funds to gain compliance with the new rules, if possible, which could have an adverse impact on our financial condition and results of operations.

Risks related to reliance on third parties

From time to time, we engage outside parties to perform services related to certain of our clinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our products.

From time to time, we engage consultants to help design, monitor and analyze the results of certain of our clinical studies and trials. The consultants we engage interact with clinical investigators to enroll patients in our clinical trials. We depend on these consultants and clinical investigators to conduct clinical studies and trials and monitor and analyze data from these studies and trials under the investigational plan and protocol for the study or trial and in compliance with applicable regulations and standards, such as GCP guidelines, the Common Rule, and FDA human subject protection regulations. We may face delays in our regulatory approval process if these parties do not perform their obligations in a timely, compliant or competent manner. If these third parties do not successfully carry out their duties or meet expected deadlines, or if the quality, completeness or accuracy of the data they obtain is compromised due to the failure to adhere to our clinical trial protocols or for other reasons, our clinical studies or trials may be extended, delayed or terminated or may otherwise prove to be unsuccessful, and we may have to conduct additional studies, which would significantly increase our costs, in order to obtain the regulatory clearances or approvals that we need to commercialize our products.

We and our component suppliers may not meet regulatory quality standards applicable to our manufacturing processes, which could have an adverse effect on our business, financial condition and results of operations.

As a medical device manufacturer, we must register with the FDA and non-U.S. regulatory agencies in jurisdictions where we commercialize our products, and we are subject to periodic inspection by the FDA and foreign regulatory agencies, for compliance with certain good manufacturing practices, including design controls, product validation and verification, in process testing, quality control and documentation procedures. Compliance with applicable regulatory requirements is subject to continual review and is rigorously monitored through periodic inspections by the FDA and foreign regulatory agencies. Our manufacturer, component, and sub-component suppliers are also required to meet certain standards applicable to their manufacturing processes.

There is no assurance that we or our component suppliers comply or can continue to comply with all regulatory requirements. The failure by us or one of our component suppliers to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, with a component supplier, until a new supplier has been identified and evaluated. Our or any of our component supplier's failure to comply with applicable regulations could cause sanctions to be imposed on us, including warning letters, fines, injunctions, civil penalties, failure of regulatory authorities to grant marketing approval of our products, delays, suspension or withdrawal of approvals or clearances, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, which could harm our business. There is no assurance that if we need to engage new suppliers to satisfy our business requirements, we can locate new suppliers in compliance with regulatory requirements at a reasonable cost and in an acceptable timeframe. Our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

For products that we currently distribute or market in the EU and the United Kingdom, as well as future products for which we obtain the applicable marketing authorization, we must maintain certain International Organization for Standardization ("ISO"), certifications to sell our products and must undergo periodic inspections by notified bodies, such as British Standards Institution ("BSI"), to obtain and maintain these certifications. If we fail these inspections or fail to meet these regulatory standards, it could have a material adverse effect on our business, financial condition and results of operations.

We depend upon third parties, including single and sole source suppliers, to manufacture certain components and subcomponents of the RxSight system making us vulnerable to supply disruptions and price fluctuations.

We rely on third parties, including single and sole source suppliers, to manufacture certain components and subcomponents of our products and to provide raw materials, primarily chemicals for our LAL. We do not have long-term supply agreements with, or guaranteed commitments from our suppliers, including single and sole source suppliers. We utilize purchase orders or blanket orders covering the medium term of 18-24 months for the majority of our supplier base. While we depend on our suppliers to provide us and our customers with materials in a timely manner that meet our and their quality, quantity and cost requirements, vendors will miss delivery dates, extend delivery dates or in some circumstances cancel purchase orders because these suppliers may encounter problems during manufacturing for a variety of reasons, any of which could delay or impede their ability to meet our demand. The expansion of global lead times has resulted and could in the future result in the lack of availability of raw materials, including semiconductors, computers, monitors electronic parts, metals, packaging, adhesives, chemicals, resins and subcontract painted components. Certain suppliers have passed on higher prices, surcharges and expedited shipping fees to defray the higher commodity prices they are paying due to short supply and pushed out delivery dates, tariffs and other causes. Additionally, we identify and qualify new suppliers to mitigate risk due to single and sole source suppliers and to alleviate supply chain constraints we will identify and qualify new vendors or substitute components which requires testing, validations and documentation adding to internal costs and diverting engineering resources from other projects. While we have taken measures to mitigate business continuity risk, including increasing standard lead times, payment of expedite fees, issuance of a limited number of non-cancelable purchase orders, advance delivery of critical components ahead of normal delivery dates and second sourcing, our suppliers may cease producing the components we purchase from them or otherwise decide to cease doing business with us. Any supply interruption from our suppliers or failure to obtain additional suppliers for any of the components or subcomponents used in our products would limit our ability to manufacture our current and new products and could have a material adverse effect on our business, financial condition and results of operations.

The failure of third parties to meet their contractual, regulatory, and other obligations could adversely affect our business.

We rely on a small number of suppliers, vendors, outsourcing partners, consultants, and other third parties to research, develop, manufacture and commercialize our products. Using third parties poses a number of risks, such as: (i) they may not perform to our standards or legal requirements; (ii) they may decide to suddenly raise prices or cease working with us; (iii) they may not produce reliable results; (iv) they may not perform in a timely manner; (v) they may not maintain confidentiality of our proprietary information; (vi) disputes may arise with respect to ownership of rights to technology developed with our partners; and (vii) disagreements could cause delays in, or termination of, the research, development or commercialization of our products or result in litigation or arbitration. Moreover, some third parties are located in markets subject to political and social risk, corruption, infrastructure problems and natural disasters, in addition to country-specific privacy, data protection and security risk given current legal and regulatory environments. Failure of third parties to meet their contractual, regulatory and other obligations may have a material adverse effect on our business, financial condition and results of operations.

Risks related to our common stock

The price of our stock has been and may continue to be volatile, and you could lose all or part of your investment.

The trading price of our common stock has been and may continue to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which we cannot control. From the date of our initial public offering through October 31, 2026 our common stock has traded at a low of $2.21 and a high of $66.54 on the Nasdaq Global Market. The stock market in general can experience extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these certain companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance. In addition to the factors discussed in Part II, Item 1A, “Risk Factors,” and elsewhere in this report, these factors include:

- announcement of our results of operations and updates regarding our business, including financial and operational guidance;
- research published by securities or industry analysts about our business and prospects;

- the success of competitive products or announcements by potential competitors of their product development efforts;
- regulatory actions with respect to our products or our competitors' products;
- actual or anticipated changes in our growth rate, including relative to our competitors;
- regulatory or legal developments in the U.S. and other countries;
- developments or disputes concerning patent applications, issued patents or other intellectual property or proprietary rights;
- the recruitment or departure of key personnel;
- announcements by us or our competitors of significant acquisitions, strategic collaborations, joint ventures, collaborations or capital commitments;
- the timing and results of preclinical studies and clinical trials of our current and future products or those of our competitors;
- actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- market conditions in the medical device sector;
- changes in the structure of healthcare payment systems;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- announcement or expectation of additional financing efforts;
- sales of our common stock by us, our insiders or our other stockholders; and
- general economic, industry and market conditions, including global and national events, such as the conflicts in Eastern Europe and the Middle East, and general economic downturns.

The realization of any of the above risks or any of a broad range of other risks, including those described in this Part II, Item 1A, "Risk Factors," could have a dramatic and adverse impact on the market price of our common stock.

In addition, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We are the target of this type of litigation. For more information regarding such litigation, please see "Legal Proceedings" in Part II, Item 1 of this Quarterly Report. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will rely in part on the research and reports that equity research analysts publish about us and our business. We will 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 ceases coverage of our company or fails 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.

We do not know whether an active, liquid and orderly trading market will exist for our common stock or what the market price of our common stock will be and as a result it may be difficult for you to sell your shares of our common stock.

Our common stock is currently traded on the Nasdaq Global Market, but there is no assurance that we will be able to maintain an active trading market on the Nasdaq Global Market or any other exchange in the future. If an active trading market does not develop, or is not maintained, or if we fail to satisfy the continued listing standards of the Nasdaq Global Market or applicable SEC rules for any reason and our securities are delisted, you may have difficulty selling any of our shares of common stock that you buy. The lack of an active trading market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active trading market may also reduce the fair market value of your shares. Furthermore, an inactive trading market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic collaborations or acquire companies, technologies or other assets by using our shares of common stock as consideration.

Sales of a substantial number of shares of our common stock 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 the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock.

As of September 30, 2026, we had 41,927,222 shares of common stock issued and outstanding. All of these shares are available for sale in the public market, subject to limitations under Rule 144 with respect to affiliates of our company.

We have filed registration statements on Form S-8 under the Securities Act registering the offer and sale of up to an aggregate of 17,427,605 shares of common stock pursuant to our Equity Plans (as defined in Note 2, “Summary of Accounting Policies – Stock-Based Compensation” in our notes to our unaudited condensed consolidated financial statements in this report) and an aggregate of 757,694 shares of common stock pursuant to our 2021 ESPP. Our 2021 Plan and 2021 ESPP each contain an evergreen provision that may increase the number of shares available for issuance pursuant to such plans on the first day of each fiscal year. See Note 6 – Stock-Based Compensation Expense in the notes to the unaudited condensed consolidated financial statements included in this report.

On May 8, 2024, we filed an automatic shelf registration statement on Form S-3ASR with the SEC that enabled us to offer for sale, from time to time and as the capital markets permitted, an unspecified amount of common stock, preferred stock, debt securities, warrants and units. The shelf registration statement became automatically effective upon filing and is valid for three years. On February 13, 2026, we filed a post-effective amendment to the registration statement because we expected to cease to be a well-known seasoned issuer (as such term is defined in Rule 405 under the Securities Act) upon the filing of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. The post-effective amendment to the registration statement permits us to offer for sale, from time to time, up to $200 million of common stock, preferred stock, debt securities, warrants and units. Upon the filing of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, we ceased to be a well-known seasoned issuer, and we filed another post-effective amendment to the registration statement for the purpose of amending the registration statement to convert it from a Form S-3ASR (automatic shelf registration statement) to a Form S-3 (non-automatic shelf registration statement). Each time we offer to sell securities under the registration statement, we will provide a prospectus supplement that will contain specific information about the terms of that offering and the securities being offered.

We cannot predict what effect, if any, sales of our shares in the public market or the availability of shares for sale will have on the market price of our common stock. However, future sales of substantial amounts of our common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our common stock.

In the future, we may issue additional shares of common stock or other equity or debt securities convertible into common stock in connection with a financing, acquisition, litigation settlement, and employee arrangements or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and could cause our stock price to decline.

If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

The Sarbanes-Oxley Act of 2002 requires, among other things, that we assess the effectiveness of our internal control over financial reporting annually and the effectiveness of our disclosure controls and procedures quarterly. In addition, as an accelerated filer, our independent registered public accounting firm is required to attest to the effectiveness of our internal control over financial reporting under Section 404(b). We have implemented improved processes for documenting and evaluating our system of internal controls required under Section 404(b). However, the rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant judgment, documentation, testing and possible remediation to meet the detailed standards. During the course of documenting, evaluating and testing our internal control over financial reporting, our management may identify significant deficiencies or material weaknesses which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act.

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 unable to comply with the requirements of Section 404(b) of the Sarbanes-Oxley Act effectively and if management identifies one or more significant deficiencies or material weaknesses, or if our independent registered public accounting firm is unable to attest that our management's report is fairly stated or if they are unable to express an opinion on the effectiveness of our internal controls or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements any of which could result in a loss of investor confidence or negative investor perceptions. If any of the above were to happen, the market price of our stock could decline significantly and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities.

We do not intend to pay dividends on our common stock so any returns will be limited to the value of our stock.

We have never declared or paid any cash dividends on our common stock. We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. Any return to stockholders will therefore be limited to any appreciation in the value of their stock.

Provisions in our certificate of incorporation, bylaws and Delaware law might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the market price of our common stock.

Our certificate of incorporation and bylaws contain provisions that could depress the market price of our common stock by acting to discourage, delay or prevent a change in control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions, among other things:

- establish a classified Board of Directors so that not all members of our board are elected at one time;
- permit only the Board of Directors to establish the number of directors and fill vacancies on the board;
- provide that directors may only be removed "for cause" and only with the approval of two-thirds of our stockholders;
- authorize the issuance of "blank check" preferred stock that our board could use to implement a stockholder rights plan (also known as a poison pill);
- eliminate the ability of our stockholders to call special meetings of stockholders;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
- prohibit cumulative voting;
- authorize our Board of Directors to amend the bylaws;

- establish advance notice requirements for nominations for election to our board or for proposing matters that can be acted upon by stockholders at annual stockholder meetings; and
- require a super-majority vote of stockholders to amend some provisions described above.

In addition, Section 203 of the General Corporation Law of the State of Delaware, ("DGCL"), prohibits a publicly-held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person which together with its affiliates owns, or within the last three years has owned, 15% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner.

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock.

Our bylaws provide that, unless the company consents in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another State court in Delaware or the federal district court for the District of Delaware) is the exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty;
- any action asserting a claim against us arising under the DGCL, our amended and restated certificate of incorporation or our bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

This Delaware forum provision may limit a stockholder's ability to bring a claim in a judicial forum that the stockholder finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. If a court were to find this Delaware forum provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with litigating such disputes in multiple and/or other jurisdictions, which could seriously harm our business.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the U.S. of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended against any person in connection with any offering of the Company's securities, including but not limited to any auditor, underwriter, expert, control person, or other defendant. This federal forum provision may limit a stockholder's ability to bring a Securities Act claim in a judicial forum that the stockholder finds favorable, which may discourage lawsuits against us and our directors, officers and other employees. Any person purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. While the Delaware Supreme Court has held such provisions to be facially valid as a matter of Delaware law and several state trial courts have enforced such provisions and required that suits asserting Securities Act claims be filed in federal court, there is no guarantee that courts of appeal will affirm the enforceability of such provisions. If a court were to find this federal forum provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with litigating Securities Act claims in state court, or both state and federal court, which could seriously harm our business.

This Delaware forum provision does not apply to actions arising under the Securities Exchange Act of 1934 because the federal courts have exclusive jurisdiction over such claims.

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our results of operations.

We rely on state exemptions, when applicable, for medical devices and services, which are determined by management's review of each state's sales tax laws and regulations concerning prescribed medical treatments. However, as laws and regulations change from time to time, these exemptions may or may not continue to apply to our products in the various taxing jurisdictions. Certain jurisdictions in which we do not collect such taxes on sales of our products may later assert that such taxes are applicable, which could result in tax assessments, penalties and interest, and we may be required to collect such taxes in the future. Such tax assessments, penalties and interest or future requirements may adversely affect the results of our operations.

Our Board of Directors are authorized to issue and designate shares of our preferred stock in additional series without stockholder approval under our charter documents and Delaware law.

Our certificate of incorporation authorizes our Board of Directors, without the approval of our stockholders, to issue shares of our preferred stock, subject to limitations prescribed by applicable law, rules and regulations and the provisions of our amended and restated certificate of incorporation, as shares of preferred stock in series, to establish from time to time the number of shares to be included in each such series and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof. The powers, preferences and rights of these additional series of preferred stock may be senior to or on parity with our common stock, which may reduce its value.

Changes in tax laws or regulations that are applied adversely to us or our customers may have a material adverse effect on our business, cash flow, financial condition or results of operations.

The Tax Act enacted many significant changes to the U.S. tax laws. Changes in corporate tax rates, the realization of net deferred tax assets relating to our U.S. operations, the taxation of foreign earnings and the deductibility of expenses contained in the Tax Act or other tax reform legislation could have a material impact on the value of our deferred tax assets, could result in significant charges in the current or future taxable years and could increase our future U.S. tax expense. As an example, for taxable years beginning during or after 2022, the Tax Act eliminated the option to immediately deduct research and development expenditures currently and required taxpayers to capitalize and amortize them over five or fifteen years pursuant to Section 174 of the Code. However, the One Big Beautiful Bill Act, enacted on July 4, 2025, restores the ability to deduct domestic research and experimental expenditures for taxable years beginning January 1, 2025 on a current basis, but retains the requirement to amortize foreign research and experimental expenditure over 15 years. There is uncertainty regarding the effect of such changes on our business and financial results. The foregoing items, as well as any future changes in tax laws, could have a material adverse effect on our business, cash flow, financial condition or results of operations. We will also continue to monitor and assess the impact of international tax reform, including but not limited to the 15% global minimal tax proposed by the Organisation for Economic Co-operation and Development's Pillar Two Framework. Finally, the Inflation Reduction Act of 2022 (the "IRA") was effective beginning in fiscal year 2023, which imposes a 1% excise tax on stock buybacks and a 15% alternative minimum tax on adjusted financial statement income.

General risk factors

Our success is highly dependent on our ability to attract and retain highly skilled executive officers and employees.

To succeed, we must recruit, retain, manage and motivate qualified executives as we build out the management team, and we face significant competition for experienced personnel. We are highly dependent on the principal members of our management and need to add executives with operational and commercialization experience as we plan for commercialization of our current and future products and build out a leadership team that can manage our operations as a public company. If we do not succeed in attracting and retaining qualified personnel, particularly at the management level, it could adversely affect our ability to execute our business plan and harm our operating results. In particular, the loss of one or more of our executive officers could be detrimental to us if we cannot recruit suitable replacements in a timely manner. The competition for qualified personnel in the medical device and ophthalmology field is intense and as a result, we may be unable to continue to attract and retain qualified personnel necessary for the future success of our business. We could in the future have difficulty attracting experienced personnel to our company and may be required to expend significant financial resources in our employee recruitment and retention efforts.

Many of the other medical device and biotechnology companies that we compete against for qualified personnel have greater financial and other resources, different risk profiles and a longer history in the industry than we do. They also may provide more diverse opportunities and better prospects for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what we have to offer. If we are unable to continue to attract and retain high-quality personnel, the rate and success at which we can discover, develop and commercialize our current and future products will be limited and the potential for successfully growing our business will be harmed.

Our business and operations would suffer in the event of system failures or security breaches or incidents.

Our computer systems, as well as those of our contractors and other third parties with whom we do business, are vulnerable to damage from computer viruses, ransomware and other malicious code, unauthorized access, natural disasters (including hurricanes), terrorism, war and telecommunication and electrical failures. Any disruption or interruption in our systems, or those of our contractors or other third parties with whom we do business, whether from these or other causes, could cause interruptions in our operations, result in a material disruption of the commercialization of our RxSight system and our future products, and result in significant legal and financial exposure and reputational damages that could potentially have an adverse effect on our business. For example, the loss, corruption, or unavailability of preclinical study or clinical trial data from completed, ongoing, or planned clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Any disruption or security breach or incident resulting in, or believed or perceived to have reported in, the loss or unavailability of or damage to our data or applications, or inappropriate disclosure or other processing of personal, confidential or proprietary information, could cause us to incur liability and cause the commercialization of our RxSight system and the further development of our current and future products to be delayed.

The secure processing, maintenance, and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers, internal bad actors, or others, or breached due to technical vulnerabilities, employee error, malfeasance, or other disruptions. Although, to our knowledge, we have not experienced any such material security breach to date, any security breach or security incident could compromise our systems and networks and the information stored or otherwise processed on them could be accessed, publicly disclosed, lost, stolen, rendered unavailable, modified, or otherwise processed without authorization. Any such actual or perceived access, disclosure, or other security breach or incident, loss, or unauthorized processing of information (whether affecting us or one of our third-party service providers or other third parties with whom we do business) could result in legal claims and proceedings, regulatory investigations, and other proceedings and liability under laws that protect the privacy of personal information, significant regulatory penalties or other fines or remedies, and such an event could disrupt our operations, damage our reputation, and cause a loss of confidence in us and our ability to commercialize our products and conduct clinical trials, which could adversely affect our reputation and delay the commercialization of our RxSight system and clinical development of our current and future products.

The techniques and sophistication used to conduct cyber-attacks and security breaches or other incidents, including of information technology systems, as well as the sources and targets of these attacks, may take many forms (including phishing, social engineering, denial or degradation of service attacks, sim swaps, ransomware, malware or other malicious code), change frequently and are often not recognized until such attacks are launched or have been in place for a period of time. In addition, our employees, contractors, or third parties with whom we do business may attempt to circumvent our security measures in order to misappropriate information, including confidential, personal, or otherwise regulated or protected information, and may purposefully or inadvertently cause a breach or incident involving, or compromise of, such information. Third parties may have the technology or know-how to breach the security of the information collected, stored, or transmitted by us, our contractors, third-party service providers, or other third parties with whom we do business, and our respective security measures, as well as those of our respective third-party service providers, may not effectively prohibit others from obtaining improper access to this information. Advances in computer and software capabilities and encryption technology, new tools, geopolitical tensions and conflicts, and other developments may increase the risk of such a breach, incident, or compromise. There is no assurance that any security procedures or controls that we, our contractors, or our third-party service providers or other third parties with whom we do business have implemented will be sufficient to prevent data-security related incidents from occurring.

We may be required to expend significant capital and other resources to protect against, respond to, and recover from any potential, attempted or existing security breaches, incidents, or failures and their consequences. As data security-related threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. We could be forced to expend significant financial and operational resources in responding to a security breach or incident, including investigating and remediating any information security vulnerabilities, defending against and resolving legal and regulatory claims and complying with notification obligations, all of which could divert resources and the attention of our management and key personnel away from our business operations and adversely affect our business, financial condition and results of operations. In addition, our remediation efforts may not be successful, and we could be unable to implement, maintain and upgrade adequate safeguards.

Our insurance policies may not be adequate to compensate us for the potential losses arising from any such disruption, failure, or security breach of, or security incident of or impacting, our systems or third-party systems where information important to our business operations or commercial development is stored or otherwise processed. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and could have high deductibles in any event, and defending a suit, regardless of its merit, could be costly and divert management attention.

Economic conditions may adversely affect our business.

Global economic, political and market conditions, armed conflict, including in Eastern Europe and the Middle East, and general economic downturns, may negatively impact our business. Challenging or uncertain economic conditions including those related to global epidemics, pandemics, or contagious diseases, geopolitical turmoil, and macroeconomic conditions, inflation, fluctuations in foreign exchange rates, instability in the global banking system, disruptions in supply chains and interest rates, could make it difficult for our customers and potential customers to accurately forecast and plan future business activities and may cause our customers and potential customers to slow or reduce spending, or vary order frequency, on our products. Furthermore, during challenging or uncertain economic times, our customers may face difficulties gaining timely access to sufficient credit and experience decreasing cash flow, which could impact their willingness to make purchases and their ability to make timely payments to us. Global economic conditions could have an adverse effect on demand for our products, including on our ability to predict future operating results and on our financial condition and operating results. If global economic conditions remain uncertain or deteriorate, it may materially impact our business, operating results and financial condition.

For example, key regional economies are currently operating under economic uncertainty and the U.S. has recently experienced historically high levels of inflation and rising interest rates, which has led to increased costs of labor, capital, employee compensation and other similar effects. If unfavorable conditions in the national and global economy persist, or worsen, our current and potential customers' operating costs will likely increase, which could result in reduced operating budgets. Our revenue may be disproportionately affected by delays or reductions in spending.

Factors such as geopolitical events (including the conflicts in Eastern Europe and the Middle East), inflationary pressures, public health crises, and U.S. election cycles have caused extreme volatility and disruptions in the capital and credit markets in recent years. Uncertainty or unfavorable global economic conditions could result in a variety of impacts to our business, including weakening demand for our products, and adversely impacting our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy has strained in the past and may in the future strain our manufacturers or suppliers, possibly resulting in supply disruption, or cause our customers to delay making payments for our products. Further, the Trump administration has proposed or enacted tariffs and substantial changes to trade policies, which could adversely affect our business. For example, the Trump administration has imposed tariffs on certain foreign products, that in the past have resulted in and may result in future retaliatory tariffs on U.S. goods and products. We cannot predict whether these policies will continue, or if new policies will be enacted, or the impact, if any, that any policy changes could have on our business. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the economic climate and financial market conditions could adversely affect our business.

The present conditions and state of the U.S. and global economies make it difficult to predict whether, when and to what extent a recession has occurred or will occur in the near future. We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate do not improve, or worsen from present levels, our business, results of operations, and financial condition could be adversely affected.

Additionally, adverse worldwide economic conditions may also adversely impact our suppliers' ability to provide us with materials and components, cause them to limit or place burdensome conditions upon future transactions with us, or affect their ability to fulfill their respective contractual obligations to us, which could have a material adverse effect on our business, financial condition and results of operations.

Litigation and other legal proceedings may adversely affect our business.

We are and may become involved in legal proceedings, including those relating to patent and other intellectual property matters, product liability claims, employee claims, tort or contract claims, federal regulatory investigations, securities class action and other legal proceedings or investigations, which could have an adverse impact on our reputation, business and financial condition and divert the attention of our management from the operation of our business. Litigation is inherently unpredictable and can result in excessive or unanticipated verdicts and/or injunctive relief that affect how we operate our business. We could incur judgments or enter into settlements of claims for monetary damages or for agreements to change the way we operate our business, or both. There may be an increase in the scope of these matters or there may be additional lawsuits, claims, proceedings or investigations in the future, which could have a material adverse effect on our business, financial condition and results of operations. Adverse publicity about regulatory or legal action against us could damage our reputation and brand image, undermine our customers' confidence and reduce long-term demand for our products, even if the regulatory or legal action is unfounded or not material to our operations.

Following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company. Following a stock price drop in our securities, on July 22, 2025, a putative securities class action complaint was filed in the U.S. District Court for the Central District of California against us and certain of our officers, captioned Makaveev v. RxSight, Inc., et al., No. 8:25-cv-01596. A second complaint, captioned Gemesi v. RxSight, Inc., et al., No. 8:25-cv-02093 was filed on September 16, 2025, and has since been consolidated with Makaveev. These lawsuits assert claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC Rule 10b-5, alleging that the defendants made materially false and misleading statements and omitted material adverse facts regarding demand for our products and financial guidance. The plaintiffs seek unspecified compensatory and punitive damages, and reasonable costs and expenses, including attorneys' fees.

While it is too early to predict the outcome of the litigation or a reasonable range of potential losses and whether an adverse result would have a material adverse impact on our results of operations or financial position, we believe we have meritorious defenses, vehemently deny the allegations and intend to defend the case vigorously. Failure to obtain a favorable resolution of this lawsuit could have a material adverse effect on the Company's business, results of operations and financial condition.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, severe weather conditions, medical epidemics and other natural or man-made disasters or business interruptions, for which we are predominantly self-insured. We rely on third-party manufacturers to produce our products. Our ability to obtain clinical supplies of our products could be disrupted if the operations of these suppliers were affected by a man-made or natural disaster or other business interruption. In addition, our corporate headquarters is located in Aliso Viejo, California, near major earthquake faults and fire zones, and the ultimate impact on us for being located near major earthquake faults and fire zones and being consolidated in a certain geographical area is unknown. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.

Our results of operations could be materially harmed if we are unable to accurately forecast customer demand for our products and manage our inventory.

We seek to maintain sufficient levels of inventory but the lack of availability of raw materials, including semiconductors, computers, monitors electronic parts, metals, packaging, adhesives, chemicals, resins and subcontract painted components, has and could in the future limit our ability to maintain as much inventory of components, sub-assemblies, materials and finished products on hand as would be ideal under normal circumstances. To ensure adequate inventory supply and manage our operations with our third-party manufacturers and suppliers, we forecast anticipated materials requirements and demand for our products in order to predict inventory needs and then place orders with our suppliers based on these predictions. Our ability to accurately forecast demand for our products could be negatively affected by many factors, including our limited historical commercial experience, rapid growth, failure to accurately manage our expansion strategy, the expansion of global lead times, product introductions by competitors, an increase or decrease in customer demand for our products, our failure to accurately forecast customer acceptance of new products, unanticipated changes in general market conditions or regulatory matters and weakening of economic conditions or consumer confidence in future economic conditions.

Inventory levels in excess of customer demand, including as a result of our introduction of product enhancements, may result in a portion of our inventory becoming obsolete or expiring, as well as inventory write-downs or write-offs, which could have a material adverse effect on our business, financial condition and results of operations. Conversely, if we underestimate customer demand for our products or our own requirements for components, subassemblies and materials, our third-party manufacturers and suppliers may not be able to deliver components, sub-assemblies and materials to meet our requirements, which could result in inadequate inventory levels or interruptions, delays or cancellations of deliveries to our customers, any of which would damage our reputation, customer relationships and business. In addition, several components, sub-assemblies and materials incorporated into our products require lengthy order lead times, and additional supplies or materials may not be available when required on terms that are acceptable to us, or at all, and our third-party manufacturers and suppliers may not be able to allocate sufficient capacity in order to meet our increased requirements, any of which could have an adverse effect on our ability to meet customer demand for our products and our business, financial condition and results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Recent Sales of Unregistered Securities

None

(b) Use of Proceeds from Registered Securities

None

(c) Issuer Purchases of Equity Securities

None

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

Rule 10b5-1 Trading Arrangements

During our last fiscal quarter, none of our directors or officers, as defined in Rule 16a-1(f), adopted and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408.

Raymond Cohen – Consulting Agreement

On August 13, 2026, we entered into a Consulting Agreement with Raymond Cohen, a former director, to provide certain consulting and advisory services to us. Under the Consulting Agreement, we agreed to grant to Mr. Cohen an award of 12,000 restricted stock units which vests in equal installments over six months, subject to continuing service. The Consulting Agreement has a term of six months unless earlier terminated by either party with 10 days' prior written notice.

Shelley Thunen – Consulting Termination

On September 30, 2026, we terminated the Consulting Agreement dated January 9, 2026 with Shelley Thunen, our former Chief Financial Officer.

Item 6. Exhibits.

The following exhibits are filed as part of, or incorporated by reference into, this report unless otherwise stated.

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
10.1+	Employment Letter, by and between the Registrant and Aziz Mottiwala, dated July 13, 2026.	10-Q	001-40690	10.1	August 5, 2026
10.2+	Change in Control Severance Agreement, by and between the Registrant and Aziz Mottiwala, dated as of July 13, 2026.	10-Q	001-40690	10.2	August 5, 2026
10.3+	Transition Employment Letter Agreement, dated July 13, 2026, by and between the Registrant and Ron Kurtz.	10-Q	001-40690	10.6	August 5, 2026
10.4+	Amended and Restated Change in Control Severance Agreement, dated July 13, 2026, by and between the Registrant and Ron Kurtz.	10-Q	001-40690	10.7	August 5, 2026
10.5*+	RxSight, Inc. 2026 Inducement Equity Incentive Plan, as amended.				
10.6+	Form of 2026 Inducement Equity Incentive Plan Stock Option Agreement.	S-8	333-297654	Exhibit 4.3	July 23, 2026
10.7+	Form of 2026 Inducement Equity Incentive Plan Restricted Stock Unit Agreement.	S-8	333-297654	Exhibit 4.4	July 23, 2026
10.8*+	Consulting Agreement, by and between the Registrant and Raymond Cohen, dated August 13, 2026.				
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
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.				
32.2†	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				

101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema with embedded linkbase documents.
104	Cover page Interactive Data File (embedded with the Inline XBRL document).

* Filed herewith

+ Indicates a management contract or compensatory plan or arrangement.

† The certifications attached as Exhibit 32.1 and 32.2 that accompany this report are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of RxSight, Inc. 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 report, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RxSight, Inc.

Date: November 3, 2026

By: /s/ Aziz Mottiwala
Aziz Mottiwala
Chief Executive Officer and President
(Principal Executive Officer)

Date: November 3, 2026

By: /s/ Mark Wilterding
Mark Wilterding
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.5

RxSIGHT, INC.

2026 INDUCEMENT EQUITY INCENTIVE PLAN

(adopted on July 13, 2026; as amended on September 27, 2026)

1. Purposes of the Plan; Award Types.

(a) Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel for positions of substantial responsibility by providing an inducement material to individuals entering into employment with the Company Group.

(b) Award Types. The Plan permits the grant of Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, and Performance Awards. Each Award under the Plan is intended to qualify as an employment inducement grant under Nasdaq Listing Rule 5635(c)(4) and the official regulations thereunder (together, the "Inducement Listing Rule") or to qualify under the exception relating to plans or arrangements relating to an acquisition or merger under Nasdaq Listing Rule 5635(c)(3) and the official guidance thereunder.

2. Definitions. The following definitions are used in this Plan:

(a) "Administrator" means Administrator as defined in Section 4(a).

(b) "Applicable Laws" means the legal and regulatory requirements relating to the administration of equity-based awards, including but not limited to the related issuance of Shares under U.S. federal and state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and, only to the extent applicable with respect to an Award or Awards, the tax, securities, exchange control, and other laws of any jurisdictions other than the United States where Awards are, or will be, granted under the Plan. Reference to a section of an Applicable Law or regulation related to that section shall include such section or regulation, any valid regulation issued under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, or Performance Awards.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms applicable to an Award granted under the Plan. The Award Agreement is subject to the terms of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company; provided, that for this subsection, the acquisition of additional stock by any one Person, who prior to such acquisition is considered to own more than 50% of the total voting power of the stock of the Company will not be considered a Change in Control and provided, further, that any change in the ownership of the stock of the Company as a result of a private financing of the Company that is approved by the Board also will not be considered a Change in Control. Further, if the stockholders of the Company immediately before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately prior to the change in ownership, direct or indirect beneficial ownership of 50% or more of the total voting power of the stock of the Company or of the ultimate parent entity of the Company, such event shall not be considered a Change in Control under this Section 2(f)(i). For this purpose, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company, as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii)A change in the effective control of the Company which occurs on the date a majority of members of the Board is replaced during any 12-month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the appointment or election. For purposes of this Section 2(f)(ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii)A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, that for this Section 2(f)(iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets:

(1) a transfer to an entity controlled by the Company's stockholders immediately after the transfer, or

(2) a transfer of assets by the Company to:

(A)a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock,

(B)an entity, 50% or more of the total value or voting power of which is owned, directly or indirectly, by the Company,

(C)a Person, that owns, directly or indirectly, 50% or more of the total value or voting power of all the outstanding stock of the Company, or

(D)an entity, at least 50% of the total value or voting power of which is owned, directly or indirectly, by a Person described in Section 2(f)(iii)(2)(A) to Section 2(f)(iii)(2)(C).

For this definition, gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets. For this definition, persons will be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. For the avoidance of doubt, wholly-owned subsidiaries of the Company shall not be considered "Persons" for purposes of this Section 2(f).

(iv)A transaction will not be a Change in Control:

(1) unless the transaction qualifies as a change in control event within the meaning of Code Section 409A; or

(2) if its primary purpose is to (1) change the jurisdiction of the Company's incorporation, or (2) create a holding company owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(g) "Code" means the U.S. Internal Revenue Code of 1986, as amended. Reference to a section of the Code or regulation related to that section shall include such section or regulation, any valid regulation issued or other official applicable guidance of general or direct applicability promulgated under such section or regulation, and any comparable provision of any future legislation, regulation or official guidance of general or direct applicability amending, supplementing or superseding such section or regulation.

(h) "Committee" means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board.

(i) "Common Stock" means the common stock of the Company.

(j) "Company" means RxSight, Inc., a Delaware corporation, or any of its successors.

(k) "Company Group" means the Company, any Parent or Subsidiary, and any entity that, from time to time and at the time of any determination, directly or indirectly, is in control of, is controlled by or is under common control with the Company.

(l) "Consultant" means any natural person engaged by a member of the Company Group to render bona fide services to such entity, provided the services (i) are not in connection with the offer or sale of securities in a capital raising transaction, and (ii) do not directly promote or maintain a market for the Company's securities. A Consultant must be a person to whom the issuance of Shares registered on Form S-8 under the Securities Act is permitted.

(m) "Director" means a member of the Board.

(n) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code, provided, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(o) "Employee" means any person, including Officers and Directors, providing services as an employee to the Company or any member of the Company Group Neither service as a Director nor payment of a director's fee by the Company will constitute "employment" by the Company. However, for the avoidance of doubt, although a person who is an Employee also may be a Director, a person who already is serving as a Director prior to becoming an Employee will not be eligible to be granted an Award under the Plan unless permitted under the Inducement Listing Rule. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual's employment or termination of employment, as the case may be. For purposes of an individual's rights, if any, under the Plan as of the time of the Company's determination, all such determinations by the Company shall be final, binding and conclusive, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination.

(p) "Exchange Act" means the U.S. Securities Exchange Act of 1934.

(q) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for awards of the same type (which may have higher or lower Exercise Prices and different terms), awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the Exercise Price of an outstanding Award is increased or reduced. The Administrator may not institute an Exchange Program.

(r) "Exercise Price" means the price payable per share to exercise an Award.

(s) "Expiration Date" means the last possible day on which an Option or Stock Appreciation Right may be exercised. Any exercise must be completed before midnight U.S. Pacific Time between the Expiration Date and the following date; provided, however, that any broker-assisted cashless exercise of an Option granted hereunder must be completed by the close of market trading on the Expiration Date.

(t) "Fair Market Value" means, as of any date, the value of a Share, determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market of The NASDAQ Stock Market, the Fair Market Value will be the closing sales price for a Share (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported by such source as the Administrator determines to be reliable. If the determination date for the Fair Market Value occurs on a non-Trading Day (i.e., a weekend or holiday), the Fair Market Value will be such price on the immediately preceding Trading Day, unless otherwise determined by the Administrator;

(ii)If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the day of determination (or, if no bids and asks were reported on that date on the last Trading Day such bids and asks were reported), as reported by such source as the Administrator determines to be reliable; or

(iii)Absent an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

Notwithstanding the foregoing, if the determination date for the Fair Market Value occurs on a weekend, holiday or other day other than a Trading Day, the Fair Market Value will be the price as determined under subsections (t)(i) or (t)(ii) above on the immediately preceding Trading Day, unless otherwise determined by the Administrator. In addition, for purposes of determining the fair market value of shares for any reason other than the determination of the Exercise Price of Options or Stock Appreciation Rights, fair market value will be determined by the Administrator in a manner compliant with Applicable Laws and applied consistently for such purpose. Note that the determination of fair market value for purposes of tax withholding may be made in the Administrator's sole discretion subject to Applicable Laws and is not required to be consistent with the determination of Fair Market Value for other purposes.

(u) "Grant Date" means Grant Date as defined in Section 4(e).

(v) "Incentive Stock Option" means an Option that is intended to qualify and does qualify as an incentive stock option within the meaning of Code Section 422.

(w) "Nasdaq Listing Rules" means the listing requirements of the National Association of Securities Dealers Automated Quotations.

(x) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(y) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(z) "Option" means a right to acquire Shares granted under Section 6, provided that all Options granted under the Plan will be Nonstatutory Stock Options.

(aa) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e).

(bb) "Participant" means the holder of an outstanding Award.

(cc) "Performance Awards" means an Award which may be earned in whole or in part upon attainment of performance goals or other vesting criteria as the Administrator may determine and which may be cash- or stock-denominated and may be settled for cash, Shares or other securities or a combination of the foregoing under Section 10.

(dd) "Performance Period" means Performance Period as defined in Section 10(a).

(ee) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock is subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(ff) "Plan" means this 2026 Inducement Equity Incentive Plan, as may be amended from time to time.

(gg) "Restricted Stock" means Shares issued under an Award granted under Section 8 or issued as a result of the early exercise of an Option.

(hh) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value, granted under Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(ii) "Securities Act" means U.S. Securities Act of 1933.

(jj) "Service Provider" means an Employee, Director or Consultant.

(kk) "Share" means a share of the Common Stock as adjusted in accordance with Section 13 of the Plan.

(ll) "Stock Appreciation Right" means an Award granted under Section 7.

(mm)"Subsidiary" means a "subsidiary corporation" as defined in Code Section 424(f), in relation to the Company.

(nn) "Tax Withholdings" means tax, social insurance and social security liability or premium obligations in connection with the Awards, including, without limitation, (i) all federal, state, and local income, employment and any other taxes (including the Participant's U.S. Federal Insurance Contributions Act (FICA) obligation) that are required to be withheld by the Company or a member of the Company Group, (ii) the Participant's and, to the extent required by the Company, the fringe benefit tax liability of the Company or a member of the Company Group, if any, associated with the grant, vesting, or exercise of an Award or sale of Shares issued under the Award, and (iii) any other taxes or social insurance or social security liabilities or premium the responsibility for which the Participant has, or has agreed to bear, with respect to such Award, the Shares subject to, or other amounts or property payable under, an Award, or otherwise associated with or related to participation in the Plan and with respect to which the Company or the applicable member of the Company Group has either agreed to withhold or has an obligation to withhold.

(oo) "Trading Day" means a day on which the primary stock exchange or national market system (or other trading platform, as applicable) on which the Common Stock trades is open for trading.

(pp) "Transaction" means Transaction as defined in Section 14(a).

3. Shares Subject to the Plan.

(a) Allocation of Shares to Plan. The maximum aggregate number of Shares that may be issued under the Plan is:

(i) 4,250,000 Shares, plus

(ii)any additional Shares that become available for issuance under the Plan under Section 3(b).

The Shares may be authorized but unissued Common Stock or Common Stock issued and then reacquired by the Company.

(b) Share Reserve Return.

(i) Options and Stock Appreciation Rights. If an Option or Stock Appreciation Right expires or becomes unexercisable without having been exercised in full, the unissued Shares subject to the Option or Stock Appreciation Right will become available for future issuance under the Plan.

(ii)Stock Appreciation Rights. Only Shares actually issued pursuant to a Stock Appreciation Right (i.e., the net Shares issued) will cease to be available under the Plan; all remaining Shares originally subject to the Stock Appreciation Right will remain available for future issuance under the Plan.

(iii)Full-Value Awards. Shares issued pursuant to Awards of Restricted Stock, Restricted Stock Units, or stock-settled Performance Awards that are reacquired by the Company due to failure to vest or are forfeited to the Company will become available for future issuance under the Plan.

(iv)Withheld Shares. Shares used to pay the Exercise Price of an Award or to satisfy Tax Withholdings related to an Award will become available for future issuance under the Plan.

(v)Cash-Settled Awards. If any portion of an Award under the Plan is paid to a Participant in cash rather than Shares, that cash payment will not reduce the number of Shares available for issuance under the Plan.

(c) Adjustment. The numbers provided in Section 3(a) will be adjusted as a result of changes in capitalization and any other adjustments under Section 13.

(d) Substitute Awards. If the Committee grants Awards in substitution for equity compensation awards outstanding under a plan maintained by an entity acquired by or becomes a part of any member of the Company Group, the grant of those substitute Awards will not decrease the number of Shares available for issuance under the Plan.

(e) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) The Plan will be administered by the Board or a Committee (the "Administrator"). Until and unless determined otherwise by the Board, the Compensation Committee of the Board will have full authority to act as Administrator. Different Administrators may administer the Plan with respect to different groups of Employees or Participants. The Board may retain the authority to concurrently administer the Plan with a Committee and may revoke the delegation of some or all authority previously delegated.

(ii)To the extent permitted by Applicable Laws, the Board or a Committee may delegate to one or more subcommittees of the Board or a Committee or officers the authority to grant Awards to Employees of the Company or any of its Subsidiaries, provided that the delegation must comply with any limitations on the authority required by Applicable Laws, including the total number of Shares that may be subject to the Awards granted by such officer(s). This delegation may be revoked at any time by the Board or Committee.

(b) Approval. Awards granted under the Plan must be approved by a majority of the Company's "Independent Directors" (as defined under the Nasdaq Listing Rules) or the Compensation Committee of the Board, in each case acting as the Administrator.

(c) Powers of the Administrator. Subject to the terms of the Plan, any limitations on delegations specified by the Board, and any requirements imposed by Applicable Laws, the Administrator will have the authority, in its sole discretion, to make any determinations and perform any actions deemed necessary or advisable to administer the Plan including:

(i) to determine the Fair Market Value;

(ii)to approve forms of Award Agreements for use under the Plan;

(iii)to select the individuals to whom Awards may be granted and grant Awards to such individuals, subject to Section 5 (which Awards will be intended as a material inducement to the individual becoming an Employee or will otherwise be permitted under Nasdaq Listing Rule 5635(c) and the official guidance thereunder);

(iv)to determine the number of Shares to be covered by each Award granted;

(v)to determine the terms and conditions, consistent with the Plan, of any Award granted. Such terms and conditions may include, but are not limited to, the Exercise Price, the time(s) when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating to an Award;

(vi)to construe interpret the Plan and make any decisions necessary to administer the Plan, including but not limited to determining whether and when a Change in Control has occurred;

(vii)to establish, amend and rescind rules and regulations and adopt sub-plans relating to the Plan, including rules, regulations and sub-plans for the purposes of facilitating compliance with applicable non-U.S. laws, easing the administration of the Plan and/or obtaining tax-favorable treatment for Awards granted to Service Providers located outside the U.S., in each case as the Administrator may deem necessary or advisable;

(viii)to interpret, modify or amend each Award (subject to Section 18), including extending the Expiration Date and the post-termination exercisability period of such modified or amended Awards;

(ix)to allow Participants to satisfy tax withholding obligations in any manner permitted by Section 15;

(x)to delegate ministerial duties to any of the Company's employees;

(xi)to authorize any person to take any steps and execute, on behalf of the Company, any documents required for an Award previously granted by the Administrator to be effective;

(xii)to temporarily suspend the exercisability of an Award if the Administrator deems such suspension to be necessary or appropriate for administrative purposes, provided that, unless prohibited by Applicable Laws, such suspension shall be lifted in all cases not less than 10 Trading Days before the last date that the Award may be exercised;

(xiii)to allow Participants to defer the receipt of the payment of cash or the delivery of Shares otherwise due to any such Participants under an Award; and

(xiv)to make any determinations necessary or appropriate under Section 13

(d) No Exchange Program. Notwithstanding anything herein to the contrary, the Administrator may not institute an Exchange Program.

(e) Grant Date. The grant date of an Award ("Grant Date") will be the date that the Administrator makes the determination granting such Award or may be a later date if such later date is designated by the Administrator on the date of the determination or under an automatic grant policy. Notice of the determination will be provided to each Participant within a reasonable time after the Grant Date.

(f) Waiver. The Administrator may waive any terms, conditions or restrictions.

(g) Fractional Shares. Except as otherwise provided by the Administrator, any fractional Shares that result from the adjustment of Awards will be canceled. Any fractional Shares that result from vesting percentages will be accumulated and vested on the date that an accumulated full Share is vested.

(h) Electronic Delivery. The Company may deliver by e-mail or other electronic means (including posting on a website maintained by the Company or by a third party under contract with the Company or another member of the Company Group) all documents relating to the Plan or any Award and all other documents that the Company is required to deliver to its security holders (including prospectuses, annual reports and proxy statements).

(i) Choice of Law; Choice of Forum. The Plan, all Awards and all determinations made and actions taken under the Plan, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under this Plan, a Participant's acceptance of an Award is his or her consent to the jurisdiction of the State of Delaware, and agreement that any such litigation will be conducted in Delaware Court of Chancery, or the federal courts for the United States for the District of Delaware, and no other courts, regardless of where a Participant's services are performed.

(j) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Performance Awards may be granted to Employees, so long as the following requirements are met:

(a) the Employee was not previously an Employee or Director, or the Employee is to become employed by the Company or any of its Parents or Subsidiaries following a bona fide period of non-employment (within the meaning of the Inducement Listing Rule); and

(b) the grant of an Award is an inducement material to the Employee's entering into employment with the Company or any of its Parents or Subsidiaries in accordance with the Inducement Listing Rule.

Notwithstanding the foregoing, an Employee may be granted an Award in connection with a merger or acquisition to the extent permitted by Nasdaq Listing Rule 5635(c)(3) and the official guidance thereunder.

6. Stock Options.

(a) Grant of Options. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Options to any individual as a material inducement to the individual becoming an Employee or as otherwise permitted under Section 5 in connection with a merger or acquisition, which grant, in each case, shall become effective only if the individual actually becomes an Employee. Subject to this Section 6 and other terms and conditions of the Plan, the Administrator will have complete discretion to determine the number of Shares covered by an Option granted to any Employee.

(b) Stock Option Award Agreement. Each Option will be evidenced by an Award Agreement that will specify the number of Shares subject to the Option, per share Exercise Price, its Expiration Date, and such other terms and conditions as the Administrator determines.

(c) Exercise Price. The Exercise Price for the Shares to be issued upon exercise of an Option will be determined by the Administrator and stated in the Award Agreement, subject to the following:

(i) In the case of an Option, the Exercise Price for the Shares to be issued will be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii)Notwithstanding the foregoing, Options may be granted with an Exercise Price of less than 100% of the Fair Market Value per Share on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code or (ii) to an eligible individual that is not a U.S. taxpayer.

(d) Form of Consideration. The Administrator will determine the acceptable form(s) of consideration for exercising an Option. Unless the Administrator determines otherwise, the consideration may consist of any one or more or combination of the following, to the extent permitted by Applicable Laws:

(i) cash;

(ii)check or wire transfer;

(iii)promissory note, if and to the extent approved by the Company;

(iv)other Shares that have a fair market value on the date of surrender equal to the aggregate Exercise Price of the Shares as to which such Option will be exercised. To the extent not prohibited by the Administrator, this shall include the ability to tender Shares to exercise the Option and then use the Shares received on exercise to exercise the Option with respect to additional Shares;

(v)consideration received by the Company under a cashless exercise arrangement (whether through a broker or otherwise) implemented by the Company for the exercise of Options that has been approved by the Administrator, if and to the extent permitted by the Company with respect to a particular Award;

(vi)consideration received by the Company under a net exercise program under which Shares are withheld from otherwise deliverable Shares that has been approved by the Administrator, if and to the extent permitted by the Company with respect to a particular Award; and

(vii)any other consideration or method of payment to issue Shares (provided that other forms of considerations may only be approved by the Administrator).

The Administrator has the power to remove or limit any of the above forms of consideration for exercising an Option, except for the payment of cash, at any time in its sole discretion.

(e) Term of Option. The term of each Option will be determined by the Administrator and stated in the Award Agreement; provided however, that the term will be no more than 10 years from the date of grant thereof.

(f) Exercise of Option. An Option is exercised when the Company receives: (i) a notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable Tax Withholdings). Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, despite the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. An Option may not be exercised for a fraction of a Share. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan (except as provided in Section 3(b)) and for purchase under the Option, by the number of Shares as to which the Option is exercised.

(i) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon such cessation as the result of the Participant's death or Disability, the Participant may exercise his or her Option within 30 days of such cessation, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(e), as applicable) to the extent that the Option is vested on the date of cessation. Unless otherwise provided by the Administrator or set forth in the Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, if on the date of such cessation the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan immediately. If after such cessation the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(ii)Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within 6 months of cessation, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(e), as applicable) to the extent the Option is vested on the date of cessation. Unless otherwise provided by the Administrator or set forth in the Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, if on the date of cessation the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan immediately. If after such cessation the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within 6 months following the Participant's death, or within such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(e), as applicable) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary, provided the Administrator has permitted the designation of a beneficiary and provided such beneficiary has been designated prior to the Participant's death in a form (if any) acceptable to the Administrator. If the Administrator has not permitted the designation of the beneficiary or if no such beneficiary has been

designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. If the Option is exercised pursuant to this Section 6(f)(iii), Participant's designated beneficiary or personal representative shall be subject to the terms of this Plan and the Award Agreement, including but not limited to the restrictions on transferability and forfeitability applicable to the Service Provider. Unless otherwise provided by the Administrator or set forth in the Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan immediately. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(g) Expiration of Options. Subject to Section 6(e), an Option's Expiration Date will be set forth in the Award Agreement. An Option may expire before its expiration date under the Plan (including pursuant to Sections 6(f), 13, 14, or 16(d)) or under the Award Agreement.

(h) Tolling of Expiration. If exercising an Option prior to its expiration is not permitted because of Applicable Laws, other than the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted, the Option will remain exercisable until 30 days after the first date on which exercise no longer would be prevented by such provisions; provided, however, that this tolling of expiration shall not apply if and to the extent the holder of such Option is a United States taxpayer and the tolling would result in a violation of Section 409A such that the Option would be subject to additional taxation or interest under Section 409A. If this would result in the Option remaining exercisable past its Expiration Date, then unless earlier terminated pursuant to Section 14, the Option will remain exercisable only until the end of the later of (x) the first day on which its exercise would not be prevented by Section 19(a) and (y) its Expiration Date.

7. Stock Appreciation Rights.

(a) Stock Appreciation Right Award Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the number of Shares subject to the Stock Appreciation Right, its per share Exercise Price, its Expiration Date, and such other terms and conditions as the Administrator determines.

(b) Exercise Price. The Exercise Price of a Stock Appreciation Right will be determined by the Administrator, provided that in the case of a Stock Appreciation Right granted to a U.S. taxpayer, the Exercise Price will be no less than 100% of the Fair Market Value of a Share on the date of grant.

(c) Payment of Stock Appreciation Right Amount. Payment upon Stock Appreciation Right exercise may be made in cash, in Shares (which, on the date of exercise, have an aggregate fair market value equal to the amount of payment to be made under the Award), or any combination of cash and Shares, with the determination of form of payment made by the Administrator. When a Participant exercises a Stock Appreciation Right, he or she will be entitled to receive a payment from the Company equal to:

(i) the excess, if any, between the fair market value on the date of exercise over the Exercise Price multiplied by

(ii)the number of Shares with respect to which the Stock Appreciation Right is exercised.

(d) Exercise of Stock Appreciation Right. A Stock Appreciation Right is exercised when the Company receives a notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Stock Appreciation Right. Shares issued upon exercise of a Stock Appreciation Right will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to a Stock Appreciation Right, despite the exercise of the Stock Appreciation Right. The Company will issue (or cause to be issued) such Shares promptly after the Stock Appreciation Right is exercised. A Stock Appreciation Right may not be exercised for a fraction of a Share. Exercising a Stock Appreciation Right in any manner will decrease (x) the number of Shares thereafter available under the Stock Appreciation Right by the number of Shares as to which the Stock Appreciation Right is exercised and (y) the number of Shares thereafter available under the Plan by the number of Shares issued upon such exercise.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right's Expiration Date will be set forth in the Award Agreement. A Stock Appreciation Right may expire before its expiration date under the Plan (including pursuant to Sections 13, 14, or 15(c)) or under the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(e) relating to the maximum term and Section 6(f) relating to exercise also will apply to Stock Appreciation Rights.

(f) Tolling of Expiration. If exercising a Stock Appreciation Right prior to its expiration is not permitted because of Applicable Laws, other than the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted, the Stock Appreciation Right will remain exercisable until 30 days after the first date on which exercise no longer would be prevented by such provisions; provided, however, that this tolling of expiration shall not apply if and to the extent the holder of such Stock Appreciation Right is a United States taxpayer and the tolling would result in a violation of Section 409A such that the Stock Appreciation Right would be subject to additional taxation or interest under Section 409A. If this would result in the Stock Appreciation Right remaining exercisable past its Expiration Date, then unless earlier terminated pursuant to Section 14, the Stock Appreciation Right will remain exercisable only until the end of the later of (x) the first day on which its exercise would not be prevented by Section 19(a) and (y) its Expiration Date.

8. Restricted Stock.

(a) Restricted Stock Award Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the number of Shares subject to the Award of Restricted Stock and such other terms and conditions as the Administrator determines. For the avoidance of doubt, Restricted Stock may be granted without any Period of Restriction (e.g., fully vested stock bonuses). Unless the Administrator determines otherwise, Shares of Restricted Stock will be held in escrow while unvested.

(b) Restrictions.

(i) Except as provided in this Section 8(b) or the Award Agreement, while unvested, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated.

(ii)While unvested, Service Providers holding Shares of Restricted Stock may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(iii)Service Providers holding a Share covered by an Award of Restricted Stock will not be entitled to receive dividends and other distributions paid with respect to such Shares while such Shares are unvested, unless the Administrator provides otherwise. If the Administrator provides that dividends and distributions will be received and any such dividends or distributions are paid in cash they will be subject to the same provisions regarding forfeitability as the Shares with respect to which they were paid and if such dividend or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares with respect to which they were paid and, unless the Administrator determines otherwise, the Company will hold such dividends until the restrictions on the Shares with respect to which they were paid have lapsed.

(iv)Except as otherwise provided in this Section 8(b) or an Award Agreement, a Share covered by each Award of Restricted Stock made under the Plan will be released from escrow when practicable after the last day of the applicable Period of Restriction.

(v)The Administrator may impose (prior to grant) or remove (at any time) any restrictions on Shares covered by an Award of Restricted Stock.

9. Restricted Stock Units.

(a) Restricted Stock Unit Award Agreement. Each Award of Restricted Stock Units will be evidenced by an Award Agreement that will specify the number of Restricted Stock Units subject to the Award of Restricted Stock Units and such other terms and conditions as the Administrator determines.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria, if any, that, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, divisional, business unit, or individual goals (that may include continued employment or service) or any other basis determined by the Administrator in its sole discretion.

(c) Earning Restricted Stock Units. Upon meeting any applicable vesting criteria, the Participant will have earned the Restricted Stock Units and will be paid as determined in Section 9(d). The Administrator may reduce or waive any criteria that must be met to earn the Restricted Stock Units.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made at the time(s) set forth in the Award Agreement and determined by the Administrator. Unless

otherwise provided in the Award Agreement, the Administrator may settle earned Restricted Stock Units in cash, Shares, or a combination of both.

10. Performance Awards.

(a) Award Agreement. Each Performance Award will be evidenced by an Award Agreement that will specify the specify any time period during which any performance objectives or other vesting provisions, if any, will be measured ("Performance Period"), and such other terms and conditions as the Administrator determines.

(b) Objectives or Vesting Provisions and Other Terms. The Administrator will set objectives or vesting provisions that, depending on the extent to which the objectives or vesting provisions are met, will determine the value of the payout for the Performance Awards. The Administrator may set vesting criteria based upon the achievement of Company-wide, divisional, business unit, or individual goals (that may include continued employment or service) or any other basis determined by the Administrator in its sole discretion.

(c) Form and Timing of Payment. Payment of earned Performance Awards will be made at the time(s) specified in the Award Agreement. Payment with respect to earned Performance Awards will be made in cash, in Shares of equivalent value, or any combination of cash and Shares, with the determination of form of payment made by the Administrator at the time of payment or, in the discretion of the Administrator, at the time of grant.

(d) Value of Performance Awards. Each Performance Award's threshold, target, and maximum payout values will be established by the Administrator on or before the Grant Date.

(e) Earning Performance Awards. After an applicable Performance Period has ended, the holder of a Performance Award will be entitled to receive a payout for the Performance Award earned by the Participant over the Performance Period. The Administrator may reduce or waive any performance objectives or other vesting provisions for such Performance Award.

11. Leaves of Absence/ Reduced or Part-time Work Schedule/Transfer Between Locations/Change of Status.

(a) Leaves of Absence/ Reduced or Part-time Work Schedule/Transfer Between Locations. Unless the Administrator provides otherwise or as otherwise required by Applicable Laws, vesting of Awards granted hereunder will be adjusted or suspended during any unpaid leave of absence in accordance with the Company's leave of absence policy in effect at the time of such leave. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or within the Company Group. In addition, unless the Administrator provides otherwise or as otherwise required by Applicable Laws, if, after the date of grant of a Participant's Award, the Participant commences working on a part-time or reduced work schedule basis, the vesting of such Award will be adjusted in accordance with the Company's reduced work schedule/ part-time policy then in effect. Adjustments or suspensions of vesting pursuant to this Section shall be accomplished in a manner that is exempt from or complies with the requirements of Code Section 409A and the regulations and guidance thereunder.

(b) Employment Status. A Participant will not cease to be a Service Provider in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company (or member of the Company Group) or between the Company or any member of the Company Group.

12. Transferability of Awards. Unless determined otherwise by the Administrator, or otherwise required by Applicable Laws, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, the Award will be limited by any additional terms and conditions imposed by the Administrator. Any unauthorized transfer of an Award will be void.

13. Adjustments; Dissolution or Liquidation.

(a) Adjustments. If any extraordinary dividend or other extraordinary distribution (whether in cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, reclassification, repurchase, or exchange of Shares or other securities of the Company, other change in the corporate structure of the Company affecting the Shares, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any of its successors) affecting the Shares occurs (including a Change in Control), the Administrator, to prevent diminution or enlargement of the benefits or potential benefits intended to be provided under the Plan, will adjust the number and class of shares that may be delivered under the Plan and/or the number, class, and price of shares covered by each outstanding Award, and the numerical Share limits in Section 3. Notwithstanding the foregoing, the conversion of any convertible securities of the Company and ordinary course repurchases of Shares or other securities of the Company will not be treated as an event that will require adjustment.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant, at such time prior to the effective date of such proposed transaction as the Administrator determines. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

14. Change in Control or Merger.

(a) Administrator Discretion. If a Change in Control or a merger of the Company with or into another entity occurs (each, a "Transaction"), each outstanding Award will be treated as the Administrator determines (subject to the provisions of this Section), without a Participant's consent, including that such Award be continued by the successor corporation or a Parent or Subsidiary of the successor corporation (or an affiliate thereof) or that the vesting of any such Awards may accelerate automatically upon consummation of a Transaction.

(b) Identical Treatment Not Required. The Administrator need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Administrator may take different actions with respect to the vested and unvested portions of an Award. The Administrator will not be required to treat all Awards similarly in the Transaction.

(c) Continuation. An Award will be considered continued if, following the Change in Control or merger:

(i) the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Transaction, the consideration (whether stock, cash, or other securities or property) received in the Transaction by holders of Shares for each Share held on the effective date of the Transaction (and if holders were offered a choice of consideration, the type of consideration received by the holders of a majority of the outstanding Shares) and the Award otherwise is continued in accordance with its terms (including vesting criteria), subject to Section 14(c)(iii) below and Section 13(a); provided that if the consideration received in the Transaction is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon exercising an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, or Performance Award, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Transaction; or

(ii)the Award is terminated in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the Transaction. Any such cash or property may be subjected to any escrow applicable to holders of Common Stock in the Change in Control. If as of the date of the occurrence of the Transaction the Administrator determines that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment. The amount of cash or property can be subjected to vesting and paid to the Participant over the original vesting schedule of the Award.

(iii)Notwithstanding anything in this Section 14(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent, in all cases, unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Transaction corporate structure will not invalidate an otherwise valid Award assumption.

(d) Modification. The Administrator will have authority to modify Awards in connection with a Change in Control or merger:

(i) in a manner that causes the Awards to lose their tax-preferred status,

(ii)to terminate any right a Participant has to exercise an Option prior to vesting in the Shares subject to the Option (i.e., "early exercise"), so that following the closing of the Transaction the Option may only be exercised only to the extent it is vested;

(iii)to reduce the Exercise Price subject to the Award in a manner that is disproportionate to the increase in the number of Shares subject to the Award, as long as the amount

that would be received upon exercise of the Award immediately before and immediately following the closing of the Transaction is equivalent and the adjustment complies with U.S. Treasury Regulation Section 1.409A-1(b)(v)(D); and

(iv)to suspend a Participant's right to exercise an Option during a limited period of time preceding and or following the closing of the Transaction without Participant consent if such suspension is administratively necessary or advisable to permit the closing of the Transaction.

(e) Non-Continuation. If the successor corporation does not continue an Award (or some portion such Award), the Participant will fully vest in (and have the right to exercise) 100% of the then-unvested Shares subject to his or her outstanding Options and Stock Appreciation Rights, all restrictions on 100% of the Participant's outstanding Restricted Stock and Restricted Stock Units will lapse, and, regarding 100% of Participant's outstanding Awards with performance-based vesting, all performance goals or other vesting criteria will be treated as achieved at 100% of target levels and all other terms and conditions met, in all cases, unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable. In no event will vesting of an Award accelerate as to more than 100% of the Award. Unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, if Options or Stock Appreciation Rights are not continued when a Change in Control or a merger of the Company with or into another corporation or other entity occurs, the Administrator will notify the Participant in writing or electronically that the Participant's vested Options or Stock Appreciation Rights (after considering the foregoing vesting acceleration, if any) will be exercisable for a period of time determined by the Administrator in its sole discretion and all of the Participant's Options or Stock Appreciation Rights will terminate upon the expiration of such period (whether vested or unvested).

15. Tax Matters.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash under an Award (or exercise thereof) or such earlier time as any Tax Withholding are due, the Company may deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy any Tax Withholding with respect to such Award or Shares subject to an Award (including upon exercise of an Award).

(b) Withholding Arrangements. The Administrator, in its sole discretion and under such procedures as it may specify from time to time, may elect to satisfy such Tax Withholding, in whole or in part (including in combination) by (without limitation) (i) requiring the Participant to pay cash, check or other cash equivalents, (ii) withholding otherwise deliverable cash (including cash from the sale of Shares issued to the Participant) or Shares having a fair market value equal to the amount required to be withheld or such greater amount (including up to a maximum statutory amount) as the Administrator may determine or permit if such amount does not result in unfavorable financial accounting treatment, as the Administrator determines in its sole discretion, (iii) forcing the sale of Shares issued pursuant to an Award (or exercise thereof) having a fair market value equal to the minimum statutory amount applicable in a Participant's jurisdiction or any greater amount as the Administrator may determine or permit if such greater amount would not result in unfavorable

financial accounting treatment, as the Administrator determines in its sole discretion, (iv) requiring the Participant to deliver to the Company already-owned Shares having a fair market value equal to the minimum statutory amount required to be withheld or any greater amount as the Administrator may determine or permit if such greater amount would not result in unfavorable financial accounting treatment, as the Administrator determines in its sole discretion, (v) requiring the Participant to engage in a cashless exercise transaction (whether through a broker or otherwise) implemented by the Company in connection with the Plan, (vi) having the Company or a Parent or Subsidiary withhold from wages or any other cash amount due or to become due to the Participant and payable by the Company or any Parent or Subsidiary, or (vii) such other consideration and method of payment for the meeting of Tax Withholding as the Administrator may determine to the extent permitted by Applicable Laws, provided that, in all instances, the satisfaction of the Tax Withholding will not result in any adverse accounting consequence to the Company, as the Administrator may determine in its sole discretion. The fair market value of the Shares to be withheld or delivered will be determined as of the date the amount of tax to be withheld is calculated or such other date as Administrator determines is applicable or appropriate with respect to the Tax Withholding calculation.

(c) Compliance With Code Section 409A. Unless the Administrator determines that compliance with Code Section 409A is not necessary, it is intended that Awards will be designed and operated so that they are either exempt or excepted from the application of Code Section 409A or comply with any requirements necessary to avoid the imposition of additional tax under Code Section 409A(a)(1)(B) so that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A and the Plan and each Award Agreement will be interpreted consistent with this intent. This Section 15(c) is not a guarantee to any Participant of the consequences of his or her Awards. In no event will the Company have any responsibility, liability or obligation to reimburse, indemnify or hold harmless Participant for any taxes that may be imposed or other costs that may be incurred, as a result of Section 409A.

16. Other Terms.

(a) No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right regarding continuing the Participant's relationship as a Service Provider with the Company or member of the Company Group, nor will they interfere with the Participant's right, or the Participant's employer's right, to terminate such relationship at any time free from any liability or claim under the Plan.

(b) Interpretation and Rules of Construction. The words "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

(c) Plan Governs. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of any Grant Agreement, the terms and conditions of the Plan will prevail.

(d) Forfeiture Events.

(i) All Awards granted under the Plan will be subject to recoupment under any clawback policy that the Company is required to adopt pursuant to the listing standards of any

national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws. In addition, the Administrator may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Administrator determines necessary or appropriate, including without limitation to any reacquisition right regarding previously acquired Shares or other cash or property. Unless this Section 16(d)(i) is specifically mentioned and waived in an Award Agreement or other document, no recovery of compensation under a clawback policy or otherwise will be an event that triggers or contributes to any right of a Participant to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company or a member of the Company Group.

(ii)The Administrator may specify in an Award Agreement that the Participant's rights, payments, and benefits with respect to an Award will be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but will not be limited to, termination of such Participant's status as Service Provider for cause or any specified action or inaction by a Participant that would constitute cause for termination of such Participant's status as a Service Provider.

17.Term of Plan. The Plan will become effective upon its adoption by the Board. The Plan will continue in effect for 10 years from the date the Plan is adopted by the Board, unless terminated earlier pursuant to Section 18.

18.Amendment and Termination of the Plan.

(a) Amendment and Termination. The Administrator, in its sole discretion, may amend, alter, suspend or terminate the Plan or any part thereof, at any time and for any reason.

(b) Consent of Participants Generally Required. Subject to Section 18(c) below, no amendment, alteration, suspension or termination of the Plan or an Award under it will materially impair the rights of any Participant without a signed, written agreement authorized by the Administrator between the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it regarding Awards granted under the Plan prior to such termination.

(c) Exceptions to Consent Requirement.

(i) A Participant's rights will not be deemed to have been materially impaired by any amendment, alteration, suspension or termination if the Administrator, in its sole discretion, determines that the amendment, alteration, suspension or termination taken as a whole, does not materially impair the Participant's rights; and

(ii)Subject to any limitations of Applicable Laws, the Administrator may amend the terms of any one or more Awards without the affected Participant's consent even if it does materially impair the Participant's right if such amendment is done

(ii) in a manner specified by the Plan,

(iii) to clarify the manner of exemption from Code Section 409A or compliance with any requirements necessary to avoid the imposition of additional tax or interest under Code Section 409A(a)(1)(B), or

(iv) to comply with other Applicable Laws.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. The Company will make good faith efforts to comply with all Applicable Laws related to the issuance of Shares. Shares will not be issued pursuant to an Award, including without limitation upon exercise or vesting thereof, as applicable, unless the issuance and delivery of such Shares and exercise or vesting of the Award, as applicable, will comply with Applicable Laws. If required by the Administrator, issuance will be further subject to the approval of counsel for the Company with respect to such compliance. If the Company determines it to be impossible or impractical to obtain authority from any regulatory body having jurisdiction or to complete or comply with the requirements of any Applicable Laws, registration or other qualification of the Shares under any state, federal or foreign law or under the rules and regulations of the U.S. Securities and Exchange Commission, the stock exchange on which Shares of the same class are then listed, or any other governmental or regulatory body, which authority, registration, qualification or rule compliance is deemed by the Company's counsel to be necessary or advisable for the issuance and sale of any Shares hereunder, the Company will be relieved of any liability regarding the failure to issue or sell such Shares as to which such authority, registration, qualification or rule compliance was not obtained and the Administrator reserves the authority, without the consent of a Participant, to terminate or cancel Awards with or without consideration in such a situation.

(b) Investment Representations. As a condition to the exercise or vesting of an Award, the Company may require the person exercising such Award to represent and warrant during any such exercise or vesting that the Shares are being purchased only for investment and with no present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

(c) Failure to Accept Award. If a Participant has not accepted an Award to the extent such acceptance has been requested or required by the Company or has not taken all administrative and other steps (e.g., setting up an account with a broker designated by the Company) necessary for the Company to issue Shares upon the vesting, exercise, or settlement of the Award prior to the date that a portion of the Award is scheduled to vest, then the portion of the Award scheduled to vest on such date will be cancelled on such date and the Shares subject to the Award covered by such portion immediately will revert to the Plan for no additional consideration unless otherwise provided by the Administrator.

Exhibit 10.8

CONSULTING AGREEMENT

This Consulting Agreement ("***Agreement***") is effective as of August 13, 2026 ("***Effective Date***") by and between RxSight, Inc. ("***RxSight***") and Raymond Cohen ("***Consultant")***.

RxSight desires to retain Consultant as an independent contractor to perform consulting services for RxSight and Consultant is willing to perform such services on the terms described below. Consultant resigned from the Board of Directors of RxSight before the Effective Date and acknowledges and agrees that Consultant will not be providing Services in any capacity as a director, officer, fiduciary, employee, or representative of RxSight. The Services are limited to transition-related consulting support expressly requested by RxSight under this Agreement.

In consideration of the mutual promises contained herein, the parties agree as follows:

1. Services and Compensation

Consultant will perform only the services described in the attached **Exhibit A.1** ("***Services***") for RxSight (or its designee) and will not perform additional services unless RxSight and Consultant mutually agree to such additional services in writing. RxSight agrees to pay Consultant the compensation described in **Exhibit A.1** for Consultant's performance of the Services.

For clarity, the parties acknowledge that Consultant's compensation under this Agreement is intended solely to compensate Consultant for future bona fide consulting services requested by RxSight after the Effective Date and is not intended as compensation for Consultant's prior service on the Board of Directors, consideration for his resignation from the Board of Directors, or consideration for any vote, recommendation, approval, or other action taken or not taken in any director capacity. Consultant acknowledges and agrees that, except for the compensation set forth in **Exhibit A.1**, Consultant has no right, title, or interest in any compensation from RxSight.

2. Confidentiality

A. ***Definition of Confidential Information.*** "***RxSight Confidential Information***" means any information (including any and all combinations of individual items of information) that RxSight has or will develop, acquire, create, compile, discover or own, that has value in or to RxSight's business which is not generally known and which RxSight wishes to maintain as confidential. RxSight Confidential Information includes both (i) information created by others that Consultant learns or that becomes available to Consultant through RxSight or its agents; and (ii) information that Consultant creates that RxSight owns under Section 5 of this Agreement. By way of example, and without limitation, RxSight Confidential Information includes any and all non-public information that relates to the actual or anticipated business and/or products, research or development of RxSight, its affiliates or subsidiaries, or to RxSight's or its affiliates' or subsidiaries' technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding RxSight's or its affiliates' or subsidiaries' products or services and markets therefor, customer lists and customers (including, but not limited to, customers of RxSight on which Consultant called or with which Consultant becomes acquainted during the term of this Agreement), software, developments, inventions, discoveries, ideas, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by RxSight, its affiliates or subsidiaries, either directly or indirectly, in writing, orally or by drawings or inspection of premises, parts, equipment, or other RxSight property. RxSight Confidential Information will not include any such information which Consultant can establish (i) was publicly known or made generally available prior to the time of disclosure by RxSight to Consultant; (ii) becomes publicly known or made generally available after disclosure by RxSight to Consultant through no wrongful action or omission by Consultant; or (iii) is in Consultant's rightful possession, without confidentiality obligations, at the time of disclosure by RxSight as shown by Consultant's then-contemporaneous written records;

provided that any combination of individual items of information will not be deemed to be within any of the foregoing exceptions merely because one or more of the individual items are within such exception, unless the combination as a whole is within such exception.

B. ***Nonuse and Nondisclosure.*** During and after the term of this Agreement, Consultant will hold in the strictest confidence, and take all reasonable precautions to prevent any unauthorized use or disclosure of, RxSight Confidential Information. Consultant will not (i) use RxSight Confidential Information for any purpose whatsoever other than as necessary for the performance of the Services on behalf of RxSight, or (ii) subject to Consultant's right to engage in protected conduct (as described in the Protected Activity Not Prohibited section below), disclose RxSight Confidential Information to any third party without the prior written consent of an authorized representative of RxSight, except that Consultant may disclose RxSight Confidential Information to the extent compelled by applicable law; provided, however, that prior to such disclosure, Consultant will provide prior written notice to RxSight to the extent legally permitted and will reasonably cooperate with RxSight in seeking a protective order or similar confidential protection as may be available under applicable law. Consultant agrees that no ownership of RxSight Confidential Information is conveyed to Consultant. Without limiting the foregoing, Consultant will not use or disclose any RxSight property, intellectual property rights, trade secrets or other proprietary know-how of RxSight to invent, author, make, develop, design, or otherwise enable others to invent, author, make, develop, or design identical or substantially similar designs as those developed under this Agreement for any third party. Consultant agrees that Consultant's obligations under this Section 2.B will continue after the termination of this Agreement. Nothing in this Agreement prevents workers from engaging in protected conduct, as described in the Protected Activity Not Prohibited section below.

C. ***Other Client Confidential Information.*** Consultant agrees that Consultant will not improperly use, disclose, or induce RxSight to use any proprietary information or trade secrets of any former or current employer of Consultant or other person or entity with which Consultant has an obligation to keep such proprietary information or trade secrets in confidence. Consultant further agrees that Consultant will not bring onto RxSight's premises or transfer onto RxSight's technology systems any unpublished document, proprietary information, or trade secrets belonging to any such third party unless disclosure to, and use by, RxSight has been consented to, in writing, by such third party and RxSight.

3. Securities Law and RxSight Policy Compliance

Consultant will comply with all applicable securities laws and RxSight policies applicable to Consultant as a service provider, including policies relating to insider trading, Regulation FD, confidentiality, communications with investors and analysts, trading windows, blackout periods, and pre-clearance. Consultant will not trade in RxSight securities while aware of material nonpublic information and will not disclose material nonpublic information except as authorized by RxSight in writing or as otherwise protected by applicable law.

4. Ownership

A. ***Assignment of Inventions.*** As between RxSight and Consultant, Consultant agrees that all right, title, and interest in and to any and all copyrightable material, notes, records, drawings, designs, logos, inventions, improvements, developments, discoveries, ideas and trade secrets conceived, discovered, authored, invented, developed or reduced to practice by Consultant, solely or in collaboration with others, during the term of this Agreement and arising out of, or in connection with, performing the Services under this Agreement and any copyrights, patents, trade secrets, mask work rights or other intellectual property rights relating to the foregoing (collectively, "***Inventions***"), are the sole property of RxSight. Consultant also agrees to promptly make full written disclosure to RxSight of any Inventions and to deliver and assign (or cause to be assigned) and hereby irrevocably assigns fully to RxSight all of Consultant's right, title and interest in and to the Inventions. Consultant agrees that this assignment includes a present conveyance to RxSight of ownership of Inventions that are not yet in existence. Consultant understands and agrees that the decision whether or not to commercialize or market any Inventions is within RxSight's sole discretion

and for RxSight's sole benefit, and that no royalty or other consideration will be due to Consultant as a result of RxSight's efforts to commercialize or market any such Inventions.

B. ***Pre-Existing Materials.*** Subject to Section 5.A, Consultant will inform RxSight, in writing, before incorporating any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets, and other proprietary information or intellectual property rights owned by Consultant or in which Consultant has an interest, prior to, or separate from, performing the Services under this Agreement ("***Prior Inventions***") into any Invention or otherwise utilizing any Prior Invention in the course of performing the Services; and RxSight is hereby granted a nonexclusive, royalty-free, perpetual, irrevocable, transferable, worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such incorporated or utilized Prior Inventions, without restriction, including, without limitation, as part of or in connection with such Invention, and to practice any method related thereto. Consultant will not incorporate any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets, and other proprietary information or intellectual property rights owned by any third party into any Invention without RxSight's prior written permission.

C. ***Moral Rights.*** Any assignment to RxSight of Inventions includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively, "***Moral Rights***"). To the extent that Moral Rights cannot be assigned under applicable law, Consultant hereby waives and agrees not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

D. ***Maintenance of Records.*** Consultant agrees to keep and maintain adequate, current, accurate, and authentic written records of all Inventions made by Consultant (solely or jointly with others) during the term of this Agreement, and for a period of three (3) years thereafter. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that is customary in the industry and/or otherwise specified by RxSight. As between RxSight and Consultant, the records are and will be available to and remain the sole property of RxSight at all times and upon RxSight's request, Consultant will deliver (or cause to be delivered) the same.

E. ***Further Assurances.*** Consultant agrees to assist RxSight, or its designee, at RxSight's expense, in every proper way to secure RxSight's rights in the Inventions in any and all countries, including the disclosure to RxSight of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments that RxSight will deem proper or necessary in order to apply for, register, obtain, maintain, defend, and enforce such rights, and in order to deliver, assign and convey to RxSight, its successors, assigns and nominees the sole and exclusive rights, title, and interest in and to all Inventions, and testifying in a suit or other proceeding relating to such Inventions. Consultant further agrees that Consultant's obligations under this Section 5.E will continue after the termination of this Agreement.

F. ***Attorney-in-Fact.*** Consultant agrees that, if RxSight is unable because of Consultant's unavailability, dissolution, mental or physical incapacity, or for any other reason, to secure Consultant's signature with respect to any Inventions, including, without limitation, for the purpose of applying for or pursuing any application for any United States or foreign patents or mask work or copyright registrations covering the Inventions assigned to RxSight in Section 5.A, then Consultant hereby irrevocably designates and appoints RxSight and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and on Consultant's behalf to execute and file any papers and oaths and to do all other lawfully permitted acts with respect to such Inventions to further the prosecution and issuance of patents, copyright and mask work registrations with the same legal force and effect as if executed by Consultant. This power of attorney will be deemed coupled with an interest, and will be irrevocable.

5. Conflicting Obligations

Consultant represents and warrants that Consultant presently has no agreements, relationships, or commitments to any other person or entity that conflict with the provisions of this Agreement, Consultant's obligations to RxSight under this Agreement, and/or Consultant's ability to perform the Services. Consultant will not accept employment with or render services to a competitor of RxSight during the Term of this Agreement.

6. Return of RxSight Materials

Upon the termination of this Agreement, or upon RxSight's earlier request, Consultant will immediately deliver to RxSight, and will not keep in Consultant's possession, recreate, or deliver to anyone else, any and all RxSight property, including, but not limited to, RxSight Confidential Information, tangible embodiments of the Inventions, all devices and equipment belonging to RxSight, all electronically-stored information and passwords to access such property, those records maintained under Section 5.D and any reproductions of any of the foregoing items that Consultant may have in Consultant's possession or control. Consultant agrees that in discharging Consultant's obligations under this section, Consultant will conduct a reasonable and good faith search for such information, property and equipment, including searching external storage devices, personal computers and email accounts, as well as cloud accounts.

7. Term and Termination

A. ***Term.*** The term of this Agreement will begin on the Effective Date and will continue until the earlier of (i) six (6) months after the Effective Date or (ii) termination as provided in Section 8.B.

B. ***Termination.*** Either party may terminate this Agreement upon giving the other party 10 days prior written notice of such termination. The parties may terminate this Agreement immediately and without prior notice if the other party breaches this Agreement and the breach is not cured promptly after written notice from the other party describing the breach and requesting a cure.

C. ***Survival.*** Upon any termination, all rights and duties of RxSight and Consultant toward each other will cease except:

(i) Within 10 days after the effective date of termination of this Agreement, RxSight will pay Consultant (A) all amounts owing to Consultant for Services completed by Consultant before the termination date, and (B) any reimbursable expenses submitted in accordance with RxSight's policies and this Agreement; and

(ii) Vesting of any equity will cease as of the termination date, and any unvested equity awards will be treated in accordance with the applicable award agreement and the Equity Plan unless otherwise expressly approved by RxSight in writing.

(iii) In addition to any provisions in this agreement that by their nature are intended to survive termination or that contemplate performance or observance subsequent to termination or expiration of this agreement, the following terms will survive expiration or termination of this agreement: Sections 2, 4, 5, 7, 8.C, 9, 10, 11, 12, 13, and 15.

8. Cooperation

During the term of this Agreement and for a reasonable period thereafter, Consultant will reasonably cooperate with RxSight, at RxSight's expense, in connection with transition matters, regulatory inquiries, litigation, investigations, audits, public-company reporting matters, and other matters relating to Consultant's prior service to RxSight or the Services, provided that such cooperation will be scheduled in a commercially reasonable manner and will not require Consultant to waive any applicable legal privilege.

9. Independent Contractor; Benefits

A. ***Independent Contractor.*** It is the express intention of RxSight and Consultant that Consultant perform the Services as an independent contractor to RxSight. Nothing in this Agreement will in any way be construed to constitute Consultant as an agent, employee or representative of RxSight. Without limiting the generality of the foregoing, Consultant is not authorized to bind RxSight to any liability or obligation or to represent that Consultant has any such authority. Consultant agrees to furnish (or reimburse RxSight for) all tools and materials necessary to accomplish this Agreement and will incur all expenses associated with performance. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant under this Agreement. Consultant agrees to and acknowledges the obligation to pay all self-employment and other taxes on such income.

B. ***Benefits.*** RxSight and Consultant agree that Consultant will receive no RxSight-sponsored benefits from RxSight where benefits include, but are not limited to, paid vacation, sick leave, medical insurance and 401k participation. If Consultant is reclassified by a state or federal agency or court as RxSight's employee, Consultant will become a reclassified employee and will receive no benefits from RxSight, except those mandated by state or federal law, even if by the terms of RxSight's benefit plans or programs of RxSight in effect at the time of such reclassification, Consultant would otherwise be eligible for such benefits.

10. Indemnification

Consultant will indemnify, defend, and hold harmless RxSight and its affiliates, and each of their respective directors, officers, employees, agents, successors, and assigns, from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses, including reasonable attorneys' fees, arising out of or relating to (i) Consultant's breach of this Agreement, (ii) Consultant's gross negligence, willful misconduct, fraud, or violation of applicable law, (iii) any unauthorized statement, commitment, representation, or communication made by Consultant, or (iv) any allegation that Consultant used or disclosed third-party confidential information or intellectual property in connection with the Services without authorization.

11. Limitation of Liability

IN NO EVENT WILL RXSIGHT BE LIABLE TO CONSULTANT OR TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOST PROFITS OR LOSS OF BUSINESS, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, REGARDLESS OF WHETHER RXSIGHT WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT WILL RXSIGHT'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE AMOUNTS PAID BY RXSIGHT TO CONSULTANT UNDER THIS AGREEMENT FOR THE SERVICES, DELIVERABLES OR INVENTION GIVING RISE TO SUCH LIABILITY.

12. Arbitration and Equitable Relief

A. ***Arbitration.*** IN CONSIDERATION OF THIS CONSULTING RELATIONSHIP AND CONSULTANT'S RECEIPT OF COMPENSATION AND OTHER CONSIDERATION PAID OR PROVIDED TO CONSULTANT BY RXSIGHT, AT PRESENT AND IN THE FUTURE, THE PARTIES AGREE THAT ANY AND ALL CONTROVERSIES, CLAIMS, OR DISPUTES THAT CONSULTANT MAY HAVE WITH RXSIGHT (INCLUDING ANY RXSIGHT EMPLOYEE, OFFICER, DIRECTOR, TRUSTEE, OR BENEFIT PLAN OF RXSIGHT, IN THEIR CAPACITY AS SUCH OR OTHERWISE), ARISING OUT OF, RELATING TO, OR RESULTING FROM THE CONSULTING OR OTHER RELATIONSHIP WITH RXSIGHT OR THE TERMINATION OF THE CONSULTING OR OTHER RELATIONSHIP WITH RXSIGHT, INCLUDING ANY BREACH OF THIS AGREEMENT, WILL BE SUBJECT TO BINDING ARBITRATION UNDER THE FEDERAL ARBITRATION ACT (9 U.S.C.

SEC. 1 ET SEQ.) (THE "FAA"). THE FAA'S SUBSTANTIVE AND PROCEDURAL PROVISIONS WILL EXCLUSIVELY GOVERN AND APPLY WITH FULL FORCE AND EFFECT TO THIS ARBITRATION AGREEMENT, INCLUDING ITS ENFORCEMENT, AND ANY STATE COURT OF COMPETENT JURISDICTION WILL STAY PROCEEDINGS PENDING ARBITRATION OR COMPEL ARBITRATION IN THE SAME MANNER AS A FEDERAL COURT UNDER THE FAA. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES MAY BRING ANY ARBITRATION PROCEEDING ONLY IN THEIR INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF, REPRESENTATIVE, OR CLASS MEMBER IN ANY PURPORTED CLASS OR COLLECTIVE ACTION, LAWSUIT OR PROCEEDING. ANY CLAIMS THAT CONSULTANT MAY BRING PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT ("PAGA") ON BEHALF OF THE LABOR AND WORKFORCE DEVELOPMENT AGENCY MUST BE ARBITRATED ONLY IN CONSULTANT'S INDIVIDUAL CAPACITY WITHOUT ANY JOINDER OR REPRESENTATION OF ANY CALIFORNIA LABOR CODE VIOLATIONS THAT WERE OR COULD BE ASSERTED BY OR ON BEHALF OF ANY OTHER PERSONS. **TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT AGREES TO ARBITRATE ANY AND ALL COMMON LAW AND/OR STATUTORY CLAIMS UNDER LOCAL, STATE, OR FEDERAL LAW, INCLUDING, BUT NOT LIMITED TO, CLAIMS UNDER THE CALIFORNIA LABOR CODE, CLAIMS RELATING TO EMPLOYMENT OR INDEPENDENT CONTRACTOR STATUS, CLAIMS RELATING TO COMPENSATION (CASH, EQUITY, OR OTHERWISE), CLAIMS RELATING TO CLASSIFICATION, AND RELATIONSHIP WITH RXSIGHT, AND CLAIMS OF BREACH OF CONTRACT, TO THE FULLEST EXTENT PERMITTED BY LAW. THE PARTIES ALSO AGREE TO ARBITRATE ANY AND ALL DISPUTES ARISING OUT OF OR RELATING TO THE INTERPRETATION OR APPLICATION OF THIS AGREEMENT TO ARBITRATE, BUT NOT DISPUTES ABOUT THE ENFORCEABILITY, REVOCABILITY OR VALIDITY OF THIS AGREEMENT TO ARBITRATE OR ITS REQUIREMENT THAT THE PARTIES MUST BRING ANY ARBITRATION PROCEEDING ONLY IN THEIR INDIVIDUAL CAPACITY. WITH RESPECT TO ALL SUCH CLAIMS AND DISPUTES THAT THE PARTIES AGREE TO ARBITRATE, THE PARTIES HEREBY EXPRESSLY AGREES TO WAIVE, AND DOES WAIVE, ANY RIGHT TO A TRIAL BY JURY.** THIS AGREEMENT TO ARBITRATE ALSO APPLIES TO ANY DISPUTES THAT RXSIGHT MAY HAVE WITH CONSULTANT. NOTHING IN THIS AGREEMENT REQUIRES CONSULTANT TO ARBITRATE CLAIMS THAT CANNOT BE ARBITRATED UNDER THE SARBANES-OXLEY ACT OR OTHER LAW THAT EXPRESSLY PROHIBITS ARBITRATION OF A CLAIM NOTWITHSTANDING THE APPLICATION OF THE FAA.

B. ***Administration of Arbitration.*** ANY ARBITRATION WILL BE ADMINISTERED BY JAMS UNDER ITS EMPLOYMENT ARBITRATION RULES & PROCEDURES ("***JAMS EMPLOYMENT RULES***"), WHICH ARE AVAILABLE AT HTTP://WWW.JAMSADR.COM/RULES-EMPLOYMENT-ARBITRATION/. IF THE JAMS EMPLOYMENT RULES CANNOT BE ENFORCED AS TO THE ARBITRATION, THEN THE PARTIES AGREE THAT THEY WILL ARBITRATE THIS DISPUTE UTILIZING JAMS COMPREHENSIVE ARBITRATION RULES AND PROCEDURES OR SUCH RULES AS THE ARBITRATOR MAY DEEM MOST APPROPRIATE FOR THE DISPUTE (THE RULES UNDER WHICH THE ARBITRATION IS ADMINISTERED, WHETHER THE JAMS EMPLOYMENT RULES, THE JAMS COMPREHENSIVE ARBITRATION RULES, OR OTHERWISE, ARE REFERRED TO HEREIN AS THE "**JAMS RULES**"). IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS SECTION AND THE JAMS RULES, THIS SECTION WILL TAKE PRECEDENCE. THE ARBITRATOR WILL HAVE THE POWER TO DECIDE ANY MOTIONS BROUGHT BY ANY PARTY TO THE ARBITRATION, INCLUDING MOTIONS FOR SUMMARY JUDGMENT AND/OR ADJUDICATION AND MOTIONS TO DISMISS AND DEMURRERS APPLYING THE STANDARDS FOR SUCH MOTIONS SET FORTH UNDER APPLICABLE LAW, INCLUDING THE CALIFORNIA CODE OF CIVIL PROCEDURE. THE ARBITRATOR WILL ISSUE

A WRITTEN DECISION ON THE MERITS. THE ARBITRATOR WILL HAVE THE POWER TO AWARD ANY REMEDIES AVAILABLE UNDER APPLICABLE LAW, AND THAT THE ARBITRATOR MAY AWARD ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY, WHERE PERMITTED BY APPLICABLE LAW. THE DECREE OR AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED AS A FINAL AND BINDING JUDGMENT IN ANY COURT HAVING JURISDICTION THEREOF. THE PARTIES WILL PAY FOR AN EQUAL SHARE OF THE ADMINISTRATIVE OR HEARING FEES CHARGED BY THE ARBITRATOR OR JAMS. SUBJECT TO THE FAA'S EXCLUSIVE APPLICABILITY TO THE ENFORCEMENT OF THIS AGREEMENT TO ARBITRATE, THE ARBITRATOR WILL ADMINISTER AND CONDUCT ANY ARBITRATION HEARING OR PROCEEDING APPLYING CALIFORNIA SUBSTANTIVE AND DECISIONAL LAW AND THE CALIFORNIA CODE OF CIVIL PROCEDURE, INCLUDING THE CALIFORNIA CIVIL DISCOVERY ACT. ANY ARBITRATION UNDER THIS AGREEMENT WILL BE CONDUCTED IN ORANGE COUNTY, CALIFORNIA.

C. ***Remedy.*** FOR PURPOSES OF SEEKING PROVISIONAL REMEDIES ONLY, THE PARTIES WILL BE ENTITLED TO PURSUE ANY PROVISIONAL REMEDY PERMITTED BY THE CALIFORNIA ARBITRATION ACT (CALIFORNIA CODE CIV. PROC. § 1281.8), OR OTHERWISE PROVIDED BY THIS AGREEMENT. EXCEPT FOR SUCH PROVISIONAL RELIEF, ANY RELIEF OTHERWISE AVAILABLE TO THE PARTIES UNDER APPLICABLE LAW WILL BE PURSUED SOLELY AND EXCLUSIVELY IN ARBITRATION PURSUANT TO THE TERMS OF THIS AGREEMENT.

D. ***Administrative Relief.*** THIS AGREEMENT DOES NOT PROHIBIT CONSULTANT FROM PURSUING AN ADMINISTRATIVE CLAIM WITH A LOCAL, STATE OR FEDERAL ADMINISTRATIVE BODY OR GOVERNMENT AGENCY SUCH AS THE CALIFORNIA CIVIL RIGHTS DEPARTMENT, THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, THE NATIONAL LABOR RELATIONS BOARD, THE SECURITIES AND EXCHANGE COMMISSION, OR THE WORKERS' COMPENSATION BOARD. THIS AGREEMENT DOES, HOWEVER, PRECLUDE CONSULTANT FROM BRINGING ANY ALLEGED WAGE CLAIMS WITH THE DEPARTMENT OF LABOR STANDARDS ENFORCEMENT. LIKEWISE, THIS AGREEMENT DOES PRECLUDE CONSULTANT FROM PURSUING A COURT ACTION REGARDING ANY SUCH CLAIM, EXCEPT AS PERMITTED BY LAW.

E. ***Voluntary Nature of Agreement; Enforcement.*** THE PARTIES ARE EXECUTING THIS AGREEMENT VOLUNTARILY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE BY RXSIGHT OR ANYONE ELSE. THE PARTIES HAVE CAREFULLY READ THIS AGREEMENT AND THAT THEY HAVE ASKED ANY QUESTIONS NEEDED TO UNDERSTAND THE TERMS, CONSEQUENCES AND BINDING EFFECT OF THIS AGREEMENT AND FULLY UNDERSTAND IT, INCLUDING THAT ***THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL***. THE PARTIES HAVE BEEN PROVIDED AN OPPORTUNITY TO SEEK THE ADVICE OF AN ATTORNEY OF THEIR CHOICE BEFORE SIGNING THIS AGREEMENT. THIS ARBITRATION AGREEMENT IS TO BE ENFORCED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. ACCORDINGLY, IF A COURT OR OTHER BODY OF COMPETENT JURISDICTION FINDS THAT ANY PROVISION OR PORTION OF THIS ARBITRATION AGREEMENT IS INVALID OR UNENFORCEABLE, SUCH PROVISION OR PORTION, AS APPLICABLE, WILL BE ENFORCED TO THE MAXIMUM EXTENT PERMISSIBLE BY APPLICABLE LAW OR, IF NECESSARY, SEVERED, AND THE REMAINDER OF THE ARBITRATION AGREEMENT WILL CONTINUE WITH FULL FORCE AND EFFECT.

13. Protected Activity Not Prohibited

Nothing in this Agreement prohibits or restricts Consultant from reporting possible violations of law or regulation to, communicating with, filing a charge or complaint with, participating in any

investigation or proceeding conducted by, or otherwise providing information to any federal, state, or local governmental agency or self-regulatory organization, including the Securities and Exchange Commission, without notice to or authorization from RxSight. Consultant does not need RxSight's prior authorization to make any such reports or disclosures and is not required to notify RxSight that Consultant has made such reports or disclosures.

14. Miscellaneous

A. ***Governing Law; Consent to Personal Jurisdiction.*** This Agreement will be governed by the laws of the State of California, without regard to the conflicts of law provisions of California or any other jurisdiction, except that any dispute regarding the enforceability of the arbitration section of this Agreement will be governed by the FAA. To the extent that any lawsuit is permitted under this Agreement, the parties hereby expressly consent to the personal and exclusive jurisdiction and venue of the state and federal courts located in California.

B. ***Assignability.*** This Agreement will be binding upon Consultant's heirs, executors, assigns, administrators, and other legal representatives, and will be for the benefit of RxSight, its successors, and its assigns. There are no intended third-party beneficiaries to this Agreement, except as expressly stated. Except as may otherwise be provided in this Agreement, Consultant may not sell, assign or delegate any rights or obligations under this Agreement. Notwithstanding anything to the contrary herein, RxSight may assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of RxSight's relevant assets, whether by merger, consolidation, reorganization, reincorporation, sale of assets or stock, or otherwise. For the avoidance of doubt, RxSight's successors and assigns are authorized to enforce RxSight's rights under this Agreement.

C. ***Entire Agreement.*** This Agreement, together with Exhibit A.1 herein, sets forth the entire agreement and understanding between the parties with respect to the subject matter herein and supersedes all prior written and oral agreements, discussions, or representations between the parties. Consultant represents and warrants that Consultant is not relying on any statement or representation not contained in this Agreement. To the extent any terms set forth in any exhibit or schedule conflict with the terms set forth in this Agreement, the terms of this Agreement will control unless otherwise expressly agreed by the parties in such exhibit or schedule.

D. ***Headings.*** Headings are used in this Agreement for reference only and will not be considered when interpreting this Agreement.

E. ***Severability.*** If a court or other body of competent jurisdiction finds, or the parties mutually believe, any provision of this Agreement, or portion thereof, to be invalid or unenforceable, such provision will be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Agreement will continue in full force and effect.

F. ***Modification, Waiver.*** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in a writing signed by the parties. Waiver by RxSight of a breach of any provision of this Agreement will not operate as a waiver of any other or subsequent breach.

G. ***Notices.*** Any notice or other communication required or permitted by this Agreement to be given to a party will be in writing and will be deemed given (i) upon personal delivery, (ii) one business day after delivery to a nationally recognized overnight courier for next-business-day delivery, or (iii) three (3) business days after mailing by U.S. registered or certified mail, return receipt requested, in each case to the party at the party's address written below or at such other address as the party may have previously specified by like notice.

(1) If to RxSight, to:
RxSight, Inc.

Attention: Legal Department
100 Columbia
Aliso Viejo, CA 92656

(2) If to Consultant, to the address for notice on the signature page of this Agreement or, if no such address is provided, to the last address of Consultant provided by Consultant to RxSight.

H. ***Attorneys' Fees.*** In any court action at law or equity that is brought by one of the parties to this Agreement to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, in addition to any other relief to which that party may be entitled.

I. ***Signatures.*** This Agreement may be signed in two counterparts, each of which will be deemed an original, with the same force and effectiveness as though executed in a single document.

Signed:

Raymond W. Cohen

By: */s/ Raymond Cohen*
Name: Raymond Cohen
Title: —
Date: 8/14/2026

Address for Notice:

[***]

RxSight, Inc.

By: */s/ Aziz Mottiwala*
Name: Aziz Mottiwala
Title: CEO
Date: 8/14/2026

EXHIBIT A.1

SERVICES AND COMPENSATION

1. ***Consultant Contact.*** RxSight's contact at Consultant will be:

Name: Raymond Cohen
Email: [***]

2. ***RxSight Contact.*** Consultant's contact at RxSight will be:

Name: Aziz Mottiwala
Title: President and Chief Executive Officer
Email: [***]

Requests for Services must be made by Mr. Mottiwala, RxSight's Chief Financial Officer, or another officer designated in writing by RxSight. Consultant will not take direction from any other employee, director, or third party unless an authorized RxSight officer approves that request in advance.

3. ***Services***. The Services will consist of transition-related advisory support regarding RxSight's commercial strategy, customer and industry perspectives, and other discrete matters mutually agreed by RxSight and Consultant.

4. ***External Communications; Policies***. Consultant will comply with the external-communications restrictions and securities-law and RxSight policy obligations set forth in this Agreement.

5. ***Conflicts***. Consultant will promptly disclose to RxSight any actual or potential conflict of interest relating to the Services and will comply with the conflicting-obligations and confidentiality provisions of this Agreement.

6. ***Compensation.*** Consultant's compensation for the Services is described below and remains subject to the compensation provisions in Section 1 of the Agreement.

(1) RxSight will grant Consultant 12,000 restricted stock units (RSUs), with each RSU covering one share of RxSight's common stock ("***Grant***"), subject to approval of the Grant by RxSight's Board of Directors or Compensation Committee and completion of any documentation required by RxSight. The RSUs will vest in equal installments every month over a six (6) month period, with the first vesting date scheduled for 30 days following the Effective Date, subject to Consultant's continued service with RxSight through each applicable vesting date. The RSUs will be subject to the terms of the applicable RSU agreement between Consultant and RxSight and RxSight's 2021 Equity Incentive Plan, as amended ("***Equity Plan***").

(2) The RSUs under the Grant will continue to vest only while Consultant remains engaged under the Agreement and Consultant is not in material breach of the Agreement. If Consultant's service with RxSight terminates for any reason before the end of the vesting period, vesting will cease as of the termination date, and any unvested RSUs will be treated in accordance with the applicable RSU agreement and the Equity Plan unless otherwise expressly approved by RxSight in writing.

(3) RxSight will reimburse Consultant, in accordance with RxSight's policy, for reasonable out-of-pocket expenses incurred by Consultant in performing the Services under this Agreement, if Consultant receives prior written approval from RxSight's Chief Executive Officer, General Counsel, Chief Financial Officer, or another officer designated in writing by RxSight before incurring any individual expense above $250 and submits receipts for such expenses to RxSight in accordance with RxSight policy.

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Aziz Mottiwala, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RxSight, 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: November 3, 2026

By: /s/ Aziz Mottiwala

Aziz Mottiwala
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Wilterding, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RxSight, 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: November 3, 2026

By: /s/ Mark Wilterding

Mark Wilterding
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION 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 Quarterly Report of RxSight, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Aziz Mottiwala, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to 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: November 3, 2026

By: /s/ Aziz Mottiwala
Aziz Mottiwala
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION 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 Quarterly Report of RxSight, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark Wilterding, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to 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: November 3, 2026

By: /s/ Mark Wilterding

Mark Wilterding
Chief Financial Officer
(Principal Financial Officer)