

**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 March 31, 2023

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: 001-40587

SIGHT SCIENCES, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

**4040 Campbell Ave, Suite 100
Menlo Park, CA**

(Address of principal executive offices)

80-0625749

(I.R.S. Employer
Identification No.)

94025

(Zip Code)

Registrant's telephone number, including area code: (877) 266-1144

N/A

(Former name, former address and former fiscal year, if changed since last report)

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	SGHT	The Nasdaq Global Select Market

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, 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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 May 4, 2023, the registrant had 48,460,154 shares of Common Stock, par value \$0.001 outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context otherwise requires, references in this Quarterly Report on Form 10-Q to the "Company," "Sight Sciences," "we," "us" and "our" refer to Sight Sciences, Inc.

This Quarterly Report on Form 10-Q for the fiscal period ended March 31, 2023 (this "Quarterly Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "hope," "intend," "may," "might," "objective," "ongoing," "plan," "potential," "predict," "project," "should," "target," "will," or "would" or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- estimates of our total addressable market, future revenue, expenses, capital requirements, and our needs for additional financing;
- our ability to enter into and compete in new markets;
- the impact of pandemics on our business, our customers' and suppliers' businesses and the general economy;
- our ability to compete effectively with existing competitors and new market entrants;
- our ability to scale our infrastructure;
- our ability to manage and grow our business by expanding our sales to existing customers or introducing our products to new customers;
- our ability to establish and maintain intellectual property protection for our products or avoid claims of infringement;
- potential effects of extensive government regulation;
- our ability to obtain and maintain sufficient reimbursement for our products;
- our abilities to protect and scale our intellectual property portfolio;
- our ability to hire and retain key personnel;
- our ability to obtain financing in future offerings;
- the volatility of the trading price of our common stock;
- our expectation regarding the time during which we will be an emerging growth company under the Jumpstart Our Business Startups Act (the "JOBS Act"); and
- our ability to maintain proper and effective internal controls.

Actual events or results may differ from those expressed in forward-looking statements. As such, you should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, operating results, prospects, strategy, and financial needs. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, assumptions, and other factors described in the section titled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission (the "SEC") on March 16, 2023 (the "2022 Form 10-K") and elsewhere in this Quarterly Report. Moreover, we operate in a highly competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report. The results, events and circumstances reflected in the forward-looking

statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements in this Quarterly Report are based on information available to us as of the date of this Quarterly Report. While we believe that such information provides a reasonable basis for these statements, such information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report and have filed as exhibits to this Quarterly Report with the understanding that our actual future results, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. The forward-looking statements made in this Quarterly Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report to reflect events or circumstances after the date of this Quarterly Report or to reflect new information, actual results, revised expectations, or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

SIGHT SCIENCES, INC.
 Condensed Consolidated Balance Sheets (Unaudited)
 (in thousands, except share and per share data)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 167,335	\$ 185,000
Accounts receivable, net of allowance for credit losses of \$774 and \$1,024 at March 31, 2023 and December 31, 2022, respectively	16,357	15,148
Inventory, net	7,138	6,114
Prepaid expenses and other current assets	2,822	3,415
Total current assets	193,652	209,677
Property and equipment, net	1,393	1,571
Operating lease right-of-use assets	1,372	1,614
Other noncurrent assets	224	211
Total assets	<u>\$ 196,641</u>	<u>\$ 213,073</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 3,501	\$ 2,688
Accrued compensation	4,958	7,352
Accrued and other current liabilities	6,686	7,777
Total current liabilities	15,145	17,817
Long-term debt	33,457	33,313
Other noncurrent liabilities	1,663	1,867
Total liabilities	50,265	52,997
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock par value of \$0.001 per share; 10,000,000 shares authorized; no shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	—	—
Common stock par value of \$0.001 per share; 200,000,000 shares authorized as of March 31, 2023 and December 31, 2022, respectively; 48,450,378 and 48,298,138 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	48	48
Additional paid-in-capital	402,638	399,271
Accumulated deficit	(256,310)	(239,243)
Total stockholders' equity	146,376	160,076
Total liabilities and stockholders' equity	<u>\$ 196,641</u>	<u>\$ 213,073</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGHT SCIENCES, INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)
(in thousands, except share and per share data)

	Three Months Ended March 31,	
	2023	2022
Revenue	\$ 18,824	\$ 14,881
Cost of goods sold	3,048	3,033
Gross profit	15,776	11,848
Operating expenses:		
Research and development	4,669	5,646
Selling, general and administrative	28,675	28,395
Total operating expenses	33,344	34,041
Loss from operations	(17,568)	(22,193)
Interest expense	(1,276)	(1,046)
Other income (expense), net	1,791	(15)
Loss before income taxes	(17,053)	(23,254)
Provision for income taxes	14	9
Net loss and comprehensive loss	\$ (17,067)	\$ (23,263)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.35)	\$ (0.49)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	48,405,271	47,569,499

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGHT SCIENCES, INC.
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)
(in thousands, except share data)

	Three Months Ended March 31, 2023				
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2022	48,298,138	\$ 48	\$ 399,271	\$ (239,243)	\$ 160,076
Issuance of common stock upon exercise of stock options	46,208	—	49	—	49
Issuance of common stock upon vesting of restricted stock units	106,032	—	—	—	—
Withholding taxes on net share settlement of restricted stock units	—	—	(205)	—	(205)
Stock-based compensation expense	—	—	3,523	—	3,523
Net loss	—	—	—	(17,067)	(17,067)
Balance at March 31, 2023	48,450,378	48	402,638	(256,310)	146,376

	Three Months Ended March 31, 2022				
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2021	47,504,704	\$ 48	\$ 385,060	\$ (153,001)	\$ 232,107
Issuance of common stock upon exercise of stock options	85,644	—	93	—	93
Stock-based compensation expense	—	—	2,974	—	2,974
Net loss	—	—	—	(23,263)	(23,263)
Balance at March 31, 2022	47,590,348	48	388,127	(176,264)	211,911

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGHT SCIENCES, INC.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Three Months Ended	
	March 31,	
	2023	2022
Cash flows from operating activities		
Net loss	\$ (17,067)	\$ (23,263)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	146	179
Accretion of debt discount and amortization of debt issuance costs	144	161
Stock-based compensation expense	3,523	2,974
Provision for doubtful accounts receivable	(250)	(60)
Provision for excess and obsolete inventories	12	8
Noncash operating lease expense	242	121
Loss on disposal of property and equipment	66	46
Changes in operating assets and liabilities:		
Accounts receivable	(959)	(1,180)
Inventory	(1,036)	(615)
Prepaid expenses and other current assets	593	1,472
Other noncurrent assets	(13)	10
Accounts payable	878	(248)
Accrued compensation	(2,394)	(2,129)
Accrued and other current liabilities	(1,345)	472
Other noncurrent liabilities	77	86
Net cash used in operating activities	(17,383)	(21,966)
Cash flows from investing activities		
Purchases of property and equipment	(126)	(227)
Net cash used in investing activities	(126)	(227)
Cash flows from financing activities		
Proceeds from exercise of common stock options	49	92
Taxes paid on the net share settlement of restricted stock units	(205)	—
Net cash (used in) provided by financing activities	(156)	92
Net change in cash and cash equivalents	(17,665)	(22,101)
Cash and cash equivalents at beginning of period	185,000	260,687
Cash and cash equivalents at end of period	<u>\$ 167,335</u>	<u>\$ 238,586</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 1,002	\$ 766
Supplemental noncash disclosure		
Acquisition of property and equipment included in accounts payable and accrued liabilities	\$ 10	\$ 418

The accompanying notes are an integral part of these condensed consolidated financial statements.

SIGHT SCIENCES, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1. Company and Nature of Business

Description of Business

Sight Sciences, Inc. (the “Company”) was incorporated in the State of Delaware in 2010 and is headquartered in Menlo Park, California. The Company is an ophthalmic medical device company focused on the development and commercialization of surgical and nonsurgical technologies for the treatment of prevalent eye diseases.

Significant Risks and Uncertainties

Since inception, the Company has incurred losses and negative cash flows from operations. As of March 31, 2023, the Company had an accumulated deficit of \$256.3 million and recorded a net loss of \$17.1 million for the three months then ended and expects to incur additional losses in the future. If the Company’s revenue levels from its products are not sufficient or if the Company is unable to secure additional funding when desired, the Company may need to delay the development of its products, scale back its business and operations, or change its business strategy.

The Company believes that its existing sources of liquidity will satisfy its working capital and capital requirements for at least 12 months from the issuance of its financial statements. Any failure to generate increased revenues, achieve improved gross margins, or control operating costs could require the Company to raise additional capital through equity or debt financing. Such additional financing may not be available on acceptable terms, or at all, and could require the Company to modify, delay, or abandon some of its planned future expansion or expenditures or reduce some of its ongoing operating costs, which could harm its business, operating results, financial condition, and ability to achieve its intended business objectives.

Note 2. Summary of Significant Accounting Policies

There have been no significant changes in the Company's significant accounting policies during the three months ended March 31, 2023, as compared with those disclosed in the 2022 Form 10-K for the year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission (SEC) on March 16, 2023.

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) applicable to interim periods and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X.

The unaudited consolidated financial statements have been prepared on a basis consistent with the audited financial statements. In the opinion of management, the unaudited consolidated financial statements reflect all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of the Company's financial information contained herein. The condensed consolidated balance sheets as of December 31, 2022 has been derived from the audited financial statements at that date. These interim condensed consolidated financial statements do not include all disclosures required by GAAP and should be read in conjunction with the Company's financial statements and accompanying notes for the fiscal year ended December 31, 2022, which are contained in the Company's 2022 Form 10-K filed with the SEC on March 16, 2023. The Company's results of operations for the three months ended March 31, 2023 are not necessarily indicative of the results to be expected for the year ending December 31, 2023 or for any other interim period.

The accompanying condensed consolidated financial statements reflect the operations of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant estimates related to the provision for doubtful accounts, inventory excess and obsolescence, the selection of useful lives of property and equipment, determination of the fair value of stock option grants, and provisions for income taxes and contingencies. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. These estimates are based on information available as of the date of the financial statements. Actual results could differ from these estimates and such differences could be material to the Company's financial position and results of operations.

New Accounting Pronouncements

Accounting Standards Adopted

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables and available-for-sale debt securities. The guidance was effective for the Company beginning in the first quarter of 2023. The amendments in ASU 2016-13 were adopted with no material impact on the Company's consolidated financial statements.

Accounting Standards Not Yet Adopted

As of March 31, 2023, there are no significant ASU's issued and not yet adopted, that are expected to have a material impact on the Company's financial statements and related disclosures.

Note 3. Fair Value Measurements

The Company reports all financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1—Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2—Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.

Level 3—Inputs are unobservable inputs for the asset or liability. The level in the fair value hierarchy within which a fair value measurement in its entirety is based on the lowest-level input that is significant to the fair value measurement in its entirety.

The Company's cash and cash equivalents included \$157.3 million of treasury bills as of March 31, 2023. These securities are classified as held-to-maturity and all have been purchased with original maturities of 90 days or less. Held-to-maturity debt securities are recorded at amortized cost in the financial statements.

	March 31, 2023			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Aggregate Fair Value
U.S. treasury securities	\$ 157,297	\$ 58	\$ —	\$ 157,355

The Company measures the fair value of outstanding debt for disclosure purposes on a recurring basis. As of March 31, 2023 and December 31, 2022, total debt of \$33.5 million and \$33.3 million is reported at amortized cost, respectively. This outstanding debt is classified as Level 2 as it is not actively traded. The amortized cost of the outstanding debt approximates the fair value.

The financial statements as of March 31, 2023 and December 31, 2022, do not include any assets or liabilities that are measured at fair value on a nonrecurring basis.

Note 4. Balance Sheet Components

Property and Equipment, Net

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

	As of March 31, 2023	As of December 31, 2022
Tools and equipment	\$ 2,085	\$ 2,173
Computer equipment and software	37	37
Furniture and fixtures	183	282
Leasehold improvements	38	38
Construction in process	429	475
	2,772	3,005
Less: Accumulated depreciation	(1,379)	(1,434)
Property and equipment, net	\$ 1,393	\$ 1,571

Depreciation expense was \$0.1 million and \$0.2 million for the three months ended March 31, 2023 and 2022, respectively.

Accrued and Other Current Liabilities

Accrued and other current liabilities consist of the following (in thousands):

	As of March 31, 2023	As of December 31, 2022
Accrued expenses	\$ 4,361	\$ 5,307
Current portion of lease liabilities	1,069	1,033
Short term interest payable	364	348
Other accrued liabilities	892	1,087
Total accrued and other current liabilities	\$ 6,686	\$ 7,775

Other Noncurrent Liabilities

Other noncurrent liabilities consist of the following (in thousands):

	As of March 31, 2023	As of December 31, 2022
Long term interest payable	\$ 1,272	\$ 1,194
Noncurrent portion of lease liabilities	353	635
Other noncurrent liabilities	38	38
Total other noncurrent liabilities	\$ 1,663	\$ 1,867

Note 5. Debt

The Company currently has two credit and security agreements with MidCap Financial Services (the "Lender"), which provide for a maximum \$40.0 million credit facility, consisting of a \$35.0 million senior secured term loan (the "Term Loan") and a \$5.0 million revolving loan (the "Revolver" and collectively with the Term Loan, the "MidCap Credit Facility").

The obligations under the MidCap Credit Facility are guaranteed by the Company's current and future subsidiaries, subject to exceptions for certain foreign subsidiaries. Obligations under the agreements are secured by substantially all assets of the Company, including material intellectual property. Additionally, the Company is subject to customary affirmative and negative covenants as defined in the credit agreements, including covenants that limit or restrict the ability to, among other things, incur indebtedness, grant liens, merge or consolidate, make investments, dispose of assets, make acquisitions, pay dividends or make distributions, repurchase stock and enter into certain transactions with affiliates, in each case subject to certain exceptions. As of March 31, 2023, the Company was in compliance with all financial and non-financial covenants.

The MidCap Credit Facility agreements each contain events of default that include, among others, non-payment of principal, interest or fees, breach of covenants, inaccuracy of representations and warranties, cross-defaults and bankruptcy and insolvency events.

As of March 31, 2023 and December 31, 2022, \$5.0 million was available to be drawn under the Revolver, respectively. The Revolver had not been drawn upon as of March 31, 2023 and December 31, 2022. Long-term and short-term debt was as follows (in thousands):

	As of March 31, 2023	As of December 31, 2022
Term Loan	\$ 35,000	\$ 35,000
Total principal payments due	35,000	35,000
Less: debt discount related to warrant liability and issuance costs	(1,543)	(1,687)
Total amounts outstanding	33,457	33,313
Less: Current portion	—	—
Total accrued and other current liabilities	<u>\$ 33,457</u>	<u>\$ 33,313</u>

The repayment schedule relating to the Company's debt as of March 31, 2023, is as follows (in thousands):

	Amount
2023 (remainder)	—
2024	2,917
2025	32,083
Thereafter	—
Total repayments	<u>\$ 35,000</u>

Note 6. Commitments and Contingencies

Operating Lease Obligations

The Company's leases include facility leases and storage leases. In determining the present value of lease payments, the Company uses its incremental borrowing rate based on the information available at the lease commencement date if the rate implicit in the lease is not readily determinable. The Company estimates its incremental borrowing rate based on qualitative factors including company specific credit offers, lease term, general economics, and the interest rate environment. In determining the lease term, the Company includes all renewal options that are reasonably probable to be executed.

During the first quarter of 2021, the Company renewed its lease on its corporate headquarters in Menlo Park, California. The lease commenced in early August 2021 and is for a term of 37 months from the commencement

date. The Company recorded an aggregate right-of-use ("ROU") asset and lease liability of \$1.5 million. The ROU asset and corresponding lease liability were estimated using a weighted-average incremental borrowing rate of 13.59%. Total base rent is approximately \$1.6 million under the lease agreement.

During the fourth quarter of 2022, the Company entered into a supply agreement that is expected to last approximately 18 months. The supply agreement contained provisions that, when evaluated, indicated an embedded lease was present within the agreement. The agreement commenced in early December 2022 and the Company recorded an aggregate ROU asset and lease liability of \$0.7 million. The ROU asset and corresponding lease liability were estimated using a weighted-average incremental borrowing rate of 10.75%. Total base rent under the agreement is approximately \$0.7 million.

The Company recognizes rent expense on a straight-line basis over the noncancelable lease term. The Company's rent expense was \$0.3 million and \$0.2 million for the three months ended March 31, 2023 and 2022, respectively. As of March 31, 2023, the weighted average remaining lease term for the leases was 1.3 years.

Operating lease expense and supplemental cash flow information related to operating leases for the three months ended March 31, 2023 and 2022 were as follows (in thousands):

	Three Months Ended March 31,	
	2023	2022
Operating lease expense	\$ 293	\$ 173
Cash paid for operating leases	297	170

Aggregate future minimum lease payments at March 31, 2023, under these noncancelable operating leases were as follows (in thousands):

	As of March 31, 2023
2023 (remainder)	887
2024	662
Total future minimum lease payments	\$ 1,549
Less: imputed interest	(127)
Present value of future minimum lease payments	\$ 1,422
Less: current portion of operating lease liability	(1,069)
Operating lease liabilities – noncurrent	\$ 353

Legal Proceedings

On September 16, 2021, the Company filed suit in the U.S. District Court for the District of Delaware (C.A. No. 1:21-cv-01317) alleging that Ivantis, Inc. ("Ivantis") directly and indirectly infringes U.S. Patent Nos. 8,287,482, 9,370,443, 9,486,361, and 10,314,742 by making, using, selling, and offering for sale the Hydrus® Microstent. The Company's Complaint seeks money damages and injunctive relief. On January 24, 2022, Ivantis asserted counterclaims requesting declaratory judgments that the Company's asserted patents-in-suit are not infringed and/or invalid. On August 1, 2022, the Company filed an amended complaint alleging that Alcon Inc., Alcon Vision, LLC and Alcon Research, LLC (collectively, "Alcon") infringe the four originally asserted patents by making, using, selling, and offering for sale the Hydrus® Microstent, and that all defendants also infringe U.S. Patent No. 11,389,328. The defendants reasserted counterclaims requesting declaratory judgments that the Company's asserted patents-in-suit are not infringed and/or invalid. A five-day jury trial is scheduled to commence on April 8, 2024. Ivantis and Alcon filed petitions with the U.S. Patent Office seeking *inter partes* review of U.S. Patent Nos. 8,287,482, 9,370,443, 9,486,361, and 10,314,742 (IPR2022-01529, IPR2022-01530, IPR2022-01533, IPR2022-01540), each of which the U.S. Patent Office denied for raising prior art reference and invalidity arguments that were cumulative of those previously considered by the Office. The Company is presently unable to

predict the outcome of this lawsuit or to reasonably estimate the potential financial impact of the lawsuit on the Company, if any.

The Company is subject to claims and assessments from time to time in the ordinary course of business. Accruals for litigation and contingencies are reflected in the financial statements based on management's assessment, including the advice of legal counsel, of the expected outcome of litigation or other dispute resolution proceedings, and/or the expected resolution of contingencies. Liabilities for estimated losses are accrued if the potential losses from any claims or legal proceedings are considered probable and the amounts can be reasonably estimated. Significant judgment is required in both the determination of probability of loss and the determination as to whether the amount can be reasonably estimated. Accruals are based only on information available at the time of the assessment due to the uncertain nature of such matters. As additional information becomes available, management reassesses potential liabilities related to pending claims and litigation and may revise its previous estimates, which could materially affect the Company's results of operations in a given period. As of March 31, 2023 the Company does not believe it was a party to any legal proceedings or claims which, if determined adversely, would, individually or taken together, have a material adverse effect on its business, financial condition, operating results, liquidity or future prospects. However, regardless of the merits of the claims raised or the outcome, legal proceedings and claims may have an adverse impact on the Company as a result of defense and settlement costs, diversion of management time and resources, and other factors.

Indemnification

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and provide for general indemnifications. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future, but that have not yet been made. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. However, the Company may record charges in the future as a result of these indemnification obligations.

The Company indemnifies each of its directors and officers (each an "Indemnitee") for certain events or occurrences, subject to certain limits, while the director is or was serving at the Company's request in such capacity, as permitted under Delaware law and in accordance with its certificate of incorporation and bylaws. The term of the indemnification period lasts as long as an indemnitee may be subject to any proceeding arising out of acts or omissions of such indemnitee in such capacity. The maximum amount of potential future indemnification is unlimited; however, the Company currently holds director and officer liability insurance. This insurance allows the transfer of risk associated with the Company's exposure and may enable it to recover a portion of any future amounts paid. The Company believes that the fair value of these indemnification obligations is minimal. Accordingly, the Company has not recognized any liabilities relating to these obligations as of March 31, 2023 or December 31, 2022.

Note 7. Stockholders' Equity

Common Stock

In connection with the IPO, the Company's certificate of incorporation was amended and restated to provide for 200,000,000 authorized shares of common stock with a par value of \$0.001 per share and 10,000,000 authorized shares of preferred stock with a par value of \$0.001 per share. The holders of common stock are entitled to receive dividends whenever funds are legally available, when and if declared by the board of directors. As of March 31, 2023, no dividends have been declared to date. Each share of common stock is entitled to one vote.

At March 31, 2023 and December 31, 2022, the Company had reserved common stock for future issuances as follows:

	March 31, 2023	December 31, 2022
Common stock options issued and outstanding	5,095,956	4,819,906
Common stock available for future grant	7,258,472	6,099,584
Restricted stock units outstanding	1,840,324	1,014,123
Shares available for future purchase under ESPP	1,709,104	1,226,123
Total	<u>15,903,856</u>	<u>13,159,736</u>

Note 8. Equity Incentive Plans

2011 Stock Option Plan and 2021 Incentive Award Plan

In 2011, the Company established its 2011 Stock Option Plan (the “2011 Plan”) that provided for the granting of stock options to employees and nonemployees of the Company.

In July 2021, the board of directors and stockholders adopted and approved the 2021 Incentive Award Plan, (the “2021 Plan”). Under the 2021 Plan, the Company has the ability to issue incentive stock options (“ISOs”), nonqualified stock options (“NSOs”), stock appreciation rights, dividend equivalent rights, restricted stock awards, and restricted stock unit awards. Options under the 2021 Plan can typically be granted for periods of up to 10 years. For stock options granted to a grantee who, at the time the option is granted, owns stock representing more than 10% of the voting power of all classes of stock of the Company (or any parent or subsidiary of the Company), the term of the stock option may be granted for periods of up to five years. The ISOs and NSOs will be granted at a price per share not less than the fair value at the date of grant. The exercise price of a stock option granted to a 10% stockholder shall not be less than 110% of the grant date fair value of the shares. Options granted to new hires generally vest over a four-year period, with 25% of the shares vesting on the first anniversary of the grant date and the remaining shares vesting in 36 equal monthly installments thereafter; options granted as merit awards generally vest in 48 equal monthly installments following the grant date.

The Company initially reserved 5,200,000 shares of common stock for future issuance under the 2021 Plan. Pursuant to the evergreen provision in the 2021 Plan, this initial reserve was increased by 2,414,907 and 2,375,235 shares on January 1, 2023 and 2022, respectively. These annual increases under the evergreen provision are equal to the lesser of (i) 5% of the aggregate number of shares of Common Stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares of Common Stock as determined by the Board, subject to certain limitations.

The 2011 Plan was superseded by the 2021 Plan at the time of the IPO and no further grants have been made under the 2011 Plan from the date the 2021 Plan became effective. The terms under the 2011 Plan are consistent with those described above for the 2021 Plan.

At March 31, 2023 and December 31, 2022 there were 7,258,472 and 6,099,584 shares, respectively, of common stock available for issuance under the 2021 Plan.

Stock Option Awards

The following table summarizes stock option activity under the 2021 Plan during the periods presented:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Contractual Term (in years)	Average Intrinsic Value (in thousands)
Balances as of December 31, 2022	4,819,906	\$ 9.67	7.7	\$ 19,463
Grants	633,700	9.78		
Forfeited/cancelled	(309,914)	12.71		
Exercised/released	(47,736)	1.07		
Balances as of March 31, 2023	<u>5,095,956</u>	\$ 9.60	7.5	\$ 10,891
Vested and exercisable as of March 31, 2023	2,508,970	\$ 7.32	6.2	\$ 9,076
Vested and expected to vest as of March 31, 2023	5,095,956	\$ 9.60	7.5	\$ 10,891

During the three months ended March 31, 2023 and 2022, the Company recorded stock-based compensation expense of \$2.2 million and \$2.5 million related to stock option awards, respectively. The weighted-average grant-date fair values of options granted during the three months ended March 31, 2023 and 2022 was \$6.91 and \$9.76 per share, respectively.

The aggregate intrinsic value of options exercised was \$0.6 million during the three months ended March 31, 2023. The aggregate intrinsic value was calculated as the difference between the exercise prices of the underlying options and the estimated fair value of the common stock on the date of exercise. As of March 31, 2023, the unrecognized stock-based compensation expense relating to unvested options was \$22.0 million, which is expected to be recognized over a weighted-average period of 2.4 years.

Determination of Fair Value

The Company estimated the grant date fair value of stock options using the Black-Scholes option-pricing model. The fair value of stock options is recognized on a straight-line basis over the requisite service periods of the awards. The fair value of stock options was estimated using the following weighted-average assumptions:

	Three Months Ended March 31,	
	2023	2022
Expected term (in years)	5.60 – 6.02	5.38 – 6.94
Expected volatility	79.73%	58.75% – 60.12%
Risk-free interest rate	3.66% – 3.67%	1.34% – 2.40%
Dividend yield	–	–

Expected Term

The expected term is calculated using the simplified method, which is available if there is insufficient historical data about exercise patterns and post vesting employment termination behavior. The simplified method is based on the vesting period and the contractual term for each grant or for each vesting tranche for awards with graded vesting. The midpoint of the vesting date and the maximum contractual expiration date is used as the expected term under this method. For awards with multiple vesting tranches, the time from grant until the midpoints for each of the tranches may be averaged to provide an overall expected term.

Expected Volatility

The Company used an average historical stock price volatility of a peer group of publicly traded companies to be representative of its expected future stock price volatility, as the Company did not have any trading history for its common stock. For purposes of identifying these peer companies, the Company considered the industry, stage of

development, size, and financial leverage of potential comparable companies. For each grant, the Company measured historical volatility over a period equivalent to the expected term.

Risk-Free Interest Rate

The risk-free interest rate is based on the implied yield currently available on US Treasury zero-coupon issues with remaining terms equivalent to the expected term of a stock award.

Expected Dividend Rate

The Company has not paid, and does not anticipate paying, any dividends in the near future. Accordingly, the Company has estimated the dividend yield to be 0%.

Restricted Stock Units

RSUs are share awards that entitle the holder to receive freely tradeable shares of the Company's common stock upon vesting. The RSUs cannot be transferred, and the awards are subject to forfeiture if the holder's employment terminates prior to the release of the vesting restrictions. The RSUs generally vest over a four-year period with straight-line vesting in equal amounts on an annual basis, provided the employee remains continuously employed with the Company. The fair value of the RSUs is equal to the closing price of the Company's common stock on the grant date.

The following table summarizes restricted share award activity under the 2021 Plan:

	Number of Shares	Weighted-Average Grant Date Fair Value Per Share
Outstanding, December 31, 2022	1,014,123	\$ 14.25
Grants	984,600	9.78
Forfeited/cancelled	(52,367)	15.47
Vested	(106,032)	17.07
Outstanding, March 31, 2023	<u>1,840,324</u>	<u>\$ 11.66</u>

During three months ended March 31, 2023 and 2022, the Company recorded stock-based compensation expense of \$1.1 million and \$0.5 million related to the RSUs. As of March 31, 2023, there was \$19.7 million of total unrecognized stock-based compensation expense relating to the RSUs that is expected to be recognized over a weighted-average period of 3.4 years.

Employee Stock Purchase Plan

In July 2021, the board of directors and stockholders adopted and approved the 2021 Employee Stock Purchase Plan (the "ESPP"). The Company initially reserved 850,000 shares of common stock for future issuance under the ESPP. Pursuant to the evergreen provision under the ESPP, this initial reserve was increased by 482,981 and 475,047 shares on January 1, 2023 and 2022, respectively. These annual increases pursuant to the evergreen provision are equal to the lesser of (i) 1% of the aggregate number of shares of common stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares of common stock as determined by the Board, subject to certain limitations.

The Company's first six-month offering period under the ESPP began during the second quarter of 2022. The Company has two offering periods annually, running for six-months, with the first offering period beginning in the second quarter, and the second offering period beginning in the fourth quarter. The purchase of shares for participants in the ESPP occurs at the conclusion of each offering period.

As of March 31, 2023, the Company has collected payroll withholdings of \$0.5 million in the current offering period for the purchase of shares under the ESPP. The Company recorded \$0.2 million of stock-based compensation expense associated with the ESPP for the quarter ended March 31, 2023. There was no stock-based compensation expense associated with the ESPP for the three months ended March 31, 2022.

As of March 31, 2023, there were 1,709,104 shares of common stock available for issuance under the ESPP.

The fair value of shares to be issued under the Company's 2021 ESPP was estimated using the Black-Scholes valuation model with the following assumptions for the three months ended March 31, 2023:

	Three Months Ended March 31, 2023
Expected term (in years)	0.48
Expected volatility	97.38%
Risk-free interest rate	4.62%
Dividend yield	—

Stock Based Compensation

The following is a summary of stock-based compensation expense by function (in thousands):

	Three Months Ended March 31,	
	2023	2022
Cost of goods sold	\$ 59	\$ 36
Research and development	529	343
Selling, general and administrative	2,935	2,595
Total stock-based compensation expense	<u>\$ 3,523</u>	<u>\$ 2,974</u>

Note 9. Net Loss per Share Attributable to Common Stockholders

Basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding for the period. As the Company reported a net loss for the three months ended March 31, 2023 and 2022, respectively, basic net loss per share is the same as diluted net loss per share for each of the reported periods.

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2023	2022
Numerator:		
Net loss attributable to common stockholders	\$ (17,067)	\$ (23,263)
Denominator:		
Weighted-average shares of common stock outstanding—basic and diluted	<u>48,405,271</u>	<u>47,569,499</u>
Net loss per share attributable to common stockholders—basic and diluted	<u>\$ (0.35)</u>	<u>\$ (0.49)</u>

The following potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been antidilutive as a result of the net loss position:

	March 31,	
	2023	2022
Stock option awards	5,095,956	5,944,899
Restricted stock units	1,840,324	656,573
Total	6,936,280	6,601,472

Note 10. Segment Information

The Company has two reportable operating segments which are determined on the basis of the product portfolio: Surgical Glaucoma and Dry Eye. The operating and reportable segments were determined based on how the Company's Chief Executive Officer, its Chief Operating Decision Maker ("CODM"), views and evaluates the Company's operations. The CODM allocates resources to and evaluates the financial performance of each operating segment primarily based on gross profit and gross profit margin.

Surgical Glaucoma segment includes sales of the Company's OMNI® Surgical System ("OMNI") and SION™ Surgical Instrument ("SION") for use in minimally invasive glaucoma procedures. Dry Eye segment includes sales of the Company's TearCare® System ("TearCare") and related components and accessories for use in the treatment of Dry Eye Disease.

The following table summarizes select operating results information for each reportable segment (in thousands):

	Three Months Ended March 31,	
	2023	2022
Revenue		
Surgical Glaucoma	\$ 17,334	\$ 13,870
Dry Eye	1,490	1,011
Total	18,824	14,881
Cost of goods sold		
Surgical Glaucoma	2,362	1,491
Dry Eye	686	1,542
Total	3,048	3,033
Gross profit		
Surgical Glaucoma	14,972	12,379
Dry Eye	804	(531)
Total	15,776	11,848
Operating expense	33,344	34,041
Loss from operations	(17,568)	(22,193)
Interest expense	(1,276)	(1,046)
Other income (expense), net	1,791	(15)
Loss before income tax	\$ (17,053)	\$ (23,254)

The Company does not allocate any components of income and expenses beyond revenue and cost of goods sold to the reportable operating segments in its reporting to the CODM. No asset information is provided for reportable operating segments because that information is not reviewed by the CODM on a segment basis. Substantially all of the Company's revenue is generated from sales in the United States.

Note 11. Subsequent Events

The Company evaluated subsequent events through May 8, 2023, the date on which the condensed consolidated financial statements were available for issuance.

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 condensed consolidated financial statements and the related notes and other financial information included in this Quarterly Report and our audited financial statements and related notes as disclosed in our 2022 Form 10-K. Certain statements included in this discussion and analysis constitute "forward-looking statements" that are subject to considerable risks and uncertainties. Please see the information under the heading "Special Note Regarding Forward-Looking Statements" in this Quarterly Report.

Overview

Sight Sciences' mission is to transform ophthalmology and optometry through the development and commercialization of proprietary devices that target the underlying causes of the world's most prevalent eye diseases. We are passionate about improving patients' lives. Our objective is to develop and market products for use in new treatment paradigms and to create an interventional mindset in eyecare whereby our products may be used in procedures which supplant conventional outdated approaches. Our business philosophy is grounded in the following principles:

- comprehensively understand disease physiology;
- develop products that are intended to restore natural physiological functionality to diseased eyes;
- develop and market products that achieve superior effectiveness versus current treatment paradigms while minimizing complications or side effects;
- provide intuitive, patient friendly solutions to ophthalmologists and optometrists; and
- deliver compelling economic value to all stakeholders, including patients, providers and third-party payors such as Medicare and commercial insurers.

Our initial product development has focused on the treatment of two of the world's most prevalent and underserved eye diseases, glaucoma and dry eye disease. We have commercialized products in each of our two reportable segments; Surgical Glaucoma and Dry Eye. Our Surgical Glaucoma segment consists of sales of the OMNI® Surgical System, or OMNI, and the SION™ Surgical Instrument, or SION, while our Dry Eye segment includes sales of the TearCare® System, and related components and accessories. Each product is primarily sold through a highly-involved direct sales model that offers intensive education, training and customer service. We believe this philosophy and model not only enables us to differentiate our products and our overall company from competitors, but also to expand our addressable market by educating ophthalmologists and optometrists (together, "eyecare professionals" or "ECPs"), patients and other stakeholders on our products and evolving treatment paradigms. Outside of the U.S., we have established direct commercial operations in the United Kingdom and Germany. We sell OMNI in several other countries through distributors.

We sell OMNI and SION to facilities where ophthalmic surgeons perform outpatient procedures, mainly ambulatory service centers ("ASCs") and hospital outpatient departments ("HOPDs"), which are typically reimbursed by Medicare or private payors for procedures using our products. We sell TearCare to optometrist and ophthalmologist practices. Currently, there is no meaningful reimbursement coverage by Medicare or private payors for meibomian gland disease ("MGD") procedures, including TearCare, and patients typically pay out-of-pocket for TearCare. We are continuing our controlled commercial launch and are focused on our comprehensive, clinical data-driven long-term market development plan that aims to improve awareness and patient access to TearCare. We have dedicated meaningful resources to execute our commercial strategy and we continue to expand our sales organization through additional sales representatives and territories. The overall success of our approach to eyecare to date is evidenced by the over 150,000 estimated uses of OMNI and its direct predicates in over 1,500 hospitals and ASCs in the U.S. and Europe, and over 25,000 estimated uses of TearCare in over 1,000 eyecare facilities in the U.S. through March 31, 2023.

We currently operate no manufacturing facilities and instead contract with third parties for our production requirements. We believe our suppliers will be able to meet our current and anticipated manufacturing needs across all our products. We plan to continue to utilize third party contract manufacturers for our products and any related components.

Revenue in our Surgical Glaucoma segment for the three months ended March 31, 2023 and 2022 was \$17.3 million and \$13.9 million, respectively, with gross margins for the same period of 86.4% and 89.3%, respectively. The Company continues to focus on cost optimization efforts to increase margins in our Surgical Glaucoma segment. Revenue in our Dry Eye segment for the three months ended March 31, 2023 was \$1.5 million, with gross margin of 54.0%. In the prior year comparable period, Dry Eye revenue was \$1.0 million, with a gross margin of (52.5)%. Given the earlier stage of TearCare's commercial development, we expect our Dry Eye segment's gross margins to be lower than our Surgical Glaucoma segment's gross margins for the near and medium-term due to the allocation of fixed labor and overhead costs to the segment's cost of goods sold.

We believe in the importance of continued strategic investment in initiatives that: further demonstrate our products' clinical effectiveness and safety to potential customers, patients, payors and regulators; enhance our commercial capabilities, including resources dedicated to sales, marketing and education; ensure the broadest possible patient access to the treatment alternatives that our products are cleared to offer; enhance and improve upon our existing product technologies; and allow us to innovate new products, devices or drugs, in glaucoma and ocular surface disease or in new eye disease areas. As a result, we intend to continue to invest in clinical studies, sales and marketing, education initiatives, market access, and product development. However, we are also focused on being disciplined in our spend, and seek to grow operating expenses at a lower rate than revenue growth. Because of these and other factors, we expect to continue to incur net losses for at least the next several fiscal years. Moreover, we expect to incur expenses as a result of operating as a public company, including expenses related to compliance with the rules and regulations of the SEC and those of the Nasdaq Stock Market, additional insurance expenses, litigation expenses, investor relations activities and other administrative and professional services. As a result of these and other factors, we may require and seek additional debt and equity financing to fund our operations and planned growth.

To date, our primary sources of capital have been private placements of redeemable convertible preferred stock, debt financing agreements, the sale of common stock in our IPO, and revenue from the sale of our products. As of March 31, 2023, we had an outstanding term loan balance of \$35.0 million (excluding debt discount and amortized debt issuance costs), cash and cash equivalents of \$167.3 million and an accumulated deficit of \$256.3 million.

Impact of COVID-19

From 2020 through 2022, the global healthcare system faced unprecedented challenges as a result of the COVID-19 situation and its impact. Although the lingering effects of COVID-19, many of which are unpredictable and impossible to quantify or measure, may have an adverse impact on the healthcare system generally and certain aspects of our business specifically, we do not expect it to have a material effect on our business going forward.

Factors Affecting our Business and Results of Operations

We believe there are several important factors that have impacted and that will continue to impact our business and results of operations. There have been no material changes to such factors from those described in the 2022 Form 10-K under the heading "Factors Affecting our Business and Results of Operations."

Components of our Results of Operations

Revenue

We currently derive the majority of our U.S. revenue from the sale of our OMNI and SION products to ASCs and HOPDs and our TearCare products to ophthalmology and optometry practices. During the three months ended March 31, 2023 and 2022, the revenues from our Surgical Glaucoma segment accounted for over 90% of our total revenues. Substantially all of our revenues for both periods were generated from sales within the U.S. Our Surgical Glaucoma customers place orders based on their expected procedure volume and reorder as needed, typically on a biweekly, monthly or bimonthly basis. Our TearCare customers typically purchase a TearCare System which consists of one or more SmartHubs, multiple single-use SmartLids and other accessories. After utilizing their initial inventory, customers can reorder TearCare SmartLids® ("SmartLids") as needed. No single customer accounted for 10% or more of our revenue for the three months ended March 31, 2023 and 2022.

The growth in our revenue is driven by the demand for elective surgery and treatment utilizing our products. Such demand is often lower during summer months because of ECP vacations and in winter months in certain parts of the world because of fewer business or surgery days due to holidays and adverse weather conditions.

Cost of Goods Sold and Gross Margin

Our products are produced by third-party manufacturers. Our cost of goods sold consists primarily of amounts paid for our products to third-party manufacturers, and our manufacturing overhead costs, which consist primarily of personnel expenses, including salaries, benefits and stock-based compensation, and reserves for excess, obsolete and non-sellable inventory. Cost of goods sold also includes depreciation expenses for production equipment which we provide to our third-party manufacturers and certain direct costs, such as shipping and handling costs.

We calculate gross margin as gross profit divided by revenue. Our gross margin has been and will continue to be affected by a variety of factors, including differences in segment gross margins, changes in average selling prices, product sales mix, production and ordering volumes, manufacturing costs, product yields, and headcount. In general, we expect our gross margins to increase over the long-term to the extent our production and ordering volumes increase and to the extent we spread the fixed portion of our overhead costs over a larger number of units produced. We intend to use our design, engineering and manufacturing know-how and capabilities to further advance and improve the efficiency of our suppliers' manufacturing processes, which we believe will reduce costs and increase our gross margins. Our gross margins could fluctuate from quarter to quarter as we transition to new suppliers, introduce new products, and adopt new manufacturing processes and technologies.

Research and Development Expenses

Research and development ("R&D") expenses consist primarily of engineering, product development, clinical studies to develop and support our products, including clinical trial design, clinical trial site initiation and study costs, internal and external costs associated with our regulatory compliance and quality assurance functions, medical affairs, cost of products used for clinical trials and other costs associated with products and technologies – either new or enhancements of existing platforms – that are in development. These expenses also include personnel expenses, including salaries, benefits and stock-based compensation, supplies, consulting, prototyping, testing, materials, travel expenses, depreciation expenses for equipment and an allocation of IT and facility overhead expenses. Our R&D expenses as a percentage of revenue may vary over time depending on the level and timing of new product development efforts, as well as clinical development, clinical trial and other related activities. We expect our R&D expenses to increase for the next several years as we continue to invest in our active clinical trial program, develop new products, and improve our existing products.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses consist primarily of personnel expenses, including salaries, benefits and stock-based compensation related to selling, marketing and corporate functions, allocation of IT and facility overhead expenses, bad debt expense, finance, legal and human resource costs. Other SG&A expenses include training, travel expenses, promotional activities, marketing initiatives, market research and analysis, conferences and trade shows, professional services fees (including external legal, audit, consulting and tax fees), insurance costs, and general corporate expenses.

Interest Expense

Interest expense consists primarily of interest incurred on our outstanding indebtedness and non-cash interest related to the accretion of debt discount and amortization of debt issuance costs associated with our term loan agreement.

Other Income (Expense), Net

Other income (expense), net primarily consists of interest and amortization on held-to-maturity investments in treasury securities.

Results of Operations

Comparison of the Three Months Ended March 31, 2023 and 2022 (dollars in thousands)

	Three Months Ended March 31,		Change	
	2023	2022	\$	%
(unaudited)				
Revenue				
Surgical Glaucoma	\$ 17,334	\$ 13,870	\$ 3,464	25.0%
Percentage of total revenue	92.1%	93.2%		
Dry Eye	1,490	1,011	479	47.4
Percentage of total revenue	7.9%	6.8%		
Total	18,824	14,881	3,943	26.5
Cost of goods sold				
Surgical Glaucoma	2,362	1,491	871	58.4
Dry Eye	686	1,542	(856)	(55.5)
Total	3,048	3,033	15	0.5
Gross profit				
Surgical Glaucoma	14,972	12,379	2,593	20.9
Dry Eye	804	(531)	1,335	251.4
Total	15,776	11,848	3,928	33.2
Gross margin				
Surgical Glaucoma	86.4%	89.3%		
Dry Eye	54.0%	-52.5%		
Total	83.8%	79.6%		
Operating expenses				
Research and development	4,669	5,646	(977)	(17.3)
Selling, general and administrative	28,675	28,395	280	1.0
Total operating expenses	33,344	34,041	(697)	(2.0)
Loss from operations				
	(17,568)	(22,193)	4,625	20.8
Interest expense	(1,276)	(1,046)	(230)	(22.0)
Other income (expense), net	1,791	(15)	1,806	12,040.0
Loss before income tax				
	(17,053)	(23,254)	6,201	26.7
Provision (benefit) for income tax	14	9	5	55.6
Net loss and comprehensive loss	\$ (17,067)	\$ (23,263)	\$ 6,196	26.6%

Revenue. Revenue in the three months ended March 31, 2023 was \$18.8 million, an increase of \$3.9 million, or 26.5%, from the prior year comparable period. The overall increase in Surgical Glaucoma revenue was primarily attributable to an increase in the number of OMNI and SION units sold in the three months ended March 31, 2023. This growth in units was driven by both a growth in the number of facilities ordering OMNI and SION, as well as an increase in unit utilization per ordering facility. Our Dry Eye revenues increased in the three months ended March 31, 2023 versus the comparable period in 2022 due to the continued growth in our installed base of facilities that have purchased TearCare. Surgical Glaucoma sales represented 92.1% and 93.2% of our total revenue generated in the three months ended March 31, 2023 and 2022, respectively.

Cost of Goods Sold and Gross Profit. Cost of goods sold remained flat during the three months ended March 31, 2023 compared to the same period in the prior year. Our Surgical Glaucoma cost of goods sold increased \$0.9 million as compared to 2022. The increase was driven by increased sales activity, partially offset by lower per unit production costs as a result of continued manufacturing efficiencies. Dry Eye cost of goods sold decreased \$0.9 million in the three months ended March 31, 2023 over the comparable period in 2022 driven primarily by prior year charges associated with the voluntary recall of our SmartHub 1.0 devices.

Our total gross profit was \$15.8 million in the three months ended March 31, 2023, an increase of \$3.9 million from the comparable period in 2022. Our total gross margin for the three months ended March 31, 2023, increased

to 83.8%, up from 79.6% in the prior year comparable period primarily related to charges from the voluntary recall in our Dry Eye segment mentioned above. Gross margin in our Surgical Glaucoma segment was 86.4% for the quarter ended March 31, 2023, a decrease from 89.3% for the prior year comparable period driven by a write-off of inventory components as we transitioned to our next generation OMNI device and product mix. In our Dry Eye segment, gross margin increased from (52.5)% in the first quarter of 2022, to 54.0% for the quarter ended March 31, 2023 driven by the impact of the voluntary SmartHub recall in Q1 2022.

Research and Development ("R&D") Expenses. The \$1.0 million decrease in R&D expenses during the three months ended March 31, 2023 compared to the three months ended March 31, 2022 was primarily attributable to a \$0.4 million decrease in costs associated with contract engineering and lab supplies, a \$0.2 million decrease in consulting expenses, and a \$0.1 million decrease in personnel expenses.

Selling, General, and Administrative ("SG&A") Expenses. SG&A expenses were \$28.7 million for the three months ended March 31, 2023, an increase of \$0.3 million from the prior year comparable period. The increase was primarily attributable to a \$2.0 million increase in personnel expenses which included a \$0.3 million increase in stock-based compensation expense. This increase was partially offset by a \$0.9 million decrease in consulting expenses, as well as a \$0.8 million decrease in legal expense.

Interest Expense. Interest expense increased \$0.2 million, as the Company saw an increase in lending rates during the three months ended March 31, 2023 compared to the three months ended March 31, 2022.

Other Income (Expense), Net. Other income (expense), net was \$1.8 million for the three months ended March 31, 2023 as compared to an expense of \$0.0 million in the three months ended March 31, 2022. The income in the current year is attributable to the amortization of purchase discounts on held-to-maturity cash-equivalent investments.

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2023	2022
Net cash used in operating activities	\$ (17,383)	\$ (21,966)
Net cash used in investing activities	\$ (126)	\$ (227)
Net cash (used in) provided by financing activities	\$ (156)	\$ 92
Net (decrease) increase in cash	<u>\$ (17,665)</u>	<u>\$ (22,101)</u>

Net Cash Used in Operating Activities.

Net cash used in operating activities for the three months ended March 31, 2023 was \$17.4 million, consisting primarily of a net loss of \$17.1 million and a net change in our operating assets and liabilities of \$4.2 million, partially offset by non-cash charges of \$3.9 million. The net change in our operating assets and liabilities was primarily due to a \$1.0 million increase in accounts receivable and a \$1.0 million increase in inventory to support the continued growth of our operations. The Company had a \$0.9 million decrease in accounts payable, while accrued compensation and accrued and other current liabilities decreased by an aggregate of \$3.7 million, primarily driven by the timing of payments on invoices and bonuses. The non-cash charges primarily consisted of \$3.5 million related to stock-based compensation, \$0.2 million of noncash operating lease expense, \$0.1 million of depreciation, and \$0.1 million of accretion of debt discount and amortization of debt issuance costs.

Net cash used in operating activities for the three months ended March 31, 2022 was \$22.0 million, consisting primarily of a net loss of \$23.3 million. The net change in our operating assets and liabilities during the period was \$2.1 million, which was more than offset by non-cash charges of \$3.4 million. The net change in our operating assets and liabilities was primarily due to a \$1.2 million increase in accounts receivable and a \$0.6 million increase in inventory to support the continued growth of our operations. Prepaid expenses decreased by \$1.5 million as

balances on annual prepaid contracts decreased during the period. The Company also had a \$2.1 million decrease in accrued compensation and a \$0.2 million decrease in accounts payable driven by the timing of payments on invoices and bonuses. The non-cash charges primarily consisted of \$3.0 million related to stock-based compensation, \$0.2 million of depreciation, \$0.2 million of accretion of debt discount and amortization of debt issuance costs, and \$0.1 million of noncash operating lease expense.

Net Cash Used in Investing Activities.

Net cash used in investing activities in the three months ended March 31, 2023 and 2022 was \$0.1 million and \$0.2 million, respectively, in both cases for purchases of property and equipment.

Net Cash Provided by Financing Activities.

Net cash used in financing activities in the three months ended March 31, 2023 of \$0.2 million was primarily related to taxes paid on the net share settlement of restricted stock units, partially offset by proceeds from stock option exercises.

Net cash provided by financing activities in the three months ended March 31, 2022 of \$0.1 million was related to proceeds from stock option exercises.

Liquidity and Capital Resources

Sources of Liquidity

To date, our primary sources of capital have been private placements of redeemable convertible preferred stock, debt financing agreements, the sale of common stock in our IPO, and revenue from the sale of our products. Since our inception, we have raised an aggregate of approximately \$402.4 million in net proceeds from sales of our redeemable convertible preferred stock and common stock and borrowed \$32.9 million of net proceeds under our term loans.

As of March 31, 2023, we had cash and cash equivalents of \$167.3 million, an accumulated deficit of \$256.3 million and \$35.0 million outstanding under our term loan agreement (before debt discount). Based on our current planned operations, we expect revenue from sales of our products, our cash and cash equivalents and additional borrowings available under our revolving credit facility will enable us to fund our operations for at least the next twelve months and the foreseeable future.

MidCap Loan Agreements

We currently have two credit and security agreements with MidCap Financial Services, which provide for a maximum \$40.0 million credit facility, consisting of a \$35.0 million senior secured term loan (the "Term Loan") and a \$5.0 million revolving loan (the "Revolver" and collectively with the Term Loan, the "MidCap Credit Facility").

Our obligations under the MidCap Credit Facility are guaranteed by us and our future subsidiaries, subject to exceptions for certain foreign subsidiaries. Our obligations under the agreements are secured by substantially all of our assets, including our material intellectual property. Additionally, we are subject to customary affirmative and negative covenants, including covenants that limit or restrict the ability of us to, among other things, incur indebtedness, grant liens, merge or consolidate, make investments, dispose of assets, make acquisitions, pay dividends or make distributions, repurchase stock and enter into certain transactions with affiliates, in each case subject to certain exceptions. As of March 31, 2023, we were in compliance with all financial and non-financial covenants.

The MidCap Credit Facility contains events of default that include, among others, non-payment of principal, interest or fees, breach of covenants, inaccuracy of representations and warranties, cross-defaults and bankruptcy and insolvency events.

Term Loan

The Term Loan agreement includes a maturity date of November 1, 2025 and includes a stated floating interest rate that is reserve-adjusted SOFR, plus 7.00%. Principal payments under the Term Loan are scheduled to begin in December 2023. However, if certain conditions are met, the initiation of principal payments can be delayed to December 2024. We currently expect that we will be in a position to meet the conditions necessary to extend the commencement date for the initiation of principal payments under the 2020 Term Loan from December 1, 2023 to December 1, 2024. In addition, the final payment fee is 6.0% and we are subject to certain financial and non-financial covenants.

We incurred \$0.7 million of issuance costs in conjunction with the Term Loan which were netted against the borrowed funds in the balance sheet and are being accreted using the effective interest method as interest expense over the contractual period of the Term Loan.

In conjunction with the initial funding of the Term Loan in 2020, we issued a 10-year warrant to the Lender to purchase 300,000 shares of our Series F redeemable convertible preferred stock at an exercise price of \$21.88 per share, or the MidCap Warrant, with the estimated fair value of \$1.8 million. The MidCap Warrants were recorded at the fair value as a debt discount and as a warrant liability. The debt discount is being accreted using the effective interest method as interest expense over the contractual period of the Term Loan. The MidCap Warrant was automatically converted into a common stock warrant in connection with the IPO and subsequently exercised in the third quarter of fiscal year 2021. Accordingly, the MidCap Warrant no longer remains outstanding.

Revolver

The maturity date of the Revolver was amended to November 1, 2025 and the stated floating interest rate was adjusted to reserve-adjusted LIBOR plus 4.50%. As of March 31, 2023, \$5.0 million was available to be drawn under the 2020 Revolver which remains undrawn.

Lease Agreements

Our corporate headquarters are located in Menlo Park, California, where we lease approximately 11,000 square feet of office, research and development, engineering and laboratory space pursuant to a lease that commenced on August 1, 2021, and expires on August 31, 2024. We also lease approximately 2,040 square feet of office space, which is primarily used by our commercial leadership team, in Southlake, Texas, pursuant to a lease that commenced on April 30, 2019 and expires on May 15, 2024.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements included elsewhere in this Quarterly Report are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses, and related disclosures. 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.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, if different estimates reasonably could have been used, or if changes in the estimate that are reasonably possible could materially impact the financial statements. We believe that the assumptions and estimates associated with stock-based compensation has the greatest potential impact on our condensed consolidated financial statements. Therefore, we consider this to be our critical accounting policy and estimate.

There have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates described in our consolidated financial statements for the year ended December 31, 2022, included under the heading "Management's Discussion and Analysis of Financial Condition

and Results of Operations—Critical Accounting Policies and Estimates” in our 2022 Form 10-K and in Note 2 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report.

JOBS Act Accounting Election

The Jumpstart Our Business Startups Act of 2012 (JOBS Act) permits an “emerging growth company” such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to use this extended transition period under the JOBS Act. As a result, our financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make comparison of our financials to those of other public companies more difficult.

Recently Issued Accounting Pronouncements

As of March 31, 2023, there are no significant Accounting Standard Updates (ASU's) issued and not yet adopted, that are expected to have a material impact on the Company's financial statements and related disclosures.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk and foreign currency exchange rate risk. There have been no material changes to such risks from those described in our 2022 Form 10-K under "Item 3 - Quantitative and Qualitative Disclosures About Market Risk."

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

Our management, with the participation and supervision of our principal executive officer and our principal financial and accounting officer, evaluated our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). 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 officer, principal financial officer and principal accounting officer, as appropriate to allow timely decisions regarding required disclosure.

Based on this evaluation, our principal executive officer and our principal financial and accounting officer concluded that, as a result of the material weakness in our internal control over financial reporting described below, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were not effective. However, our management, including our principal executive officer and our principal financial and accounting officer, has concluded that, notwithstanding the identified material weakness in our internal control over financial reporting, the condensed consolidated financial statements in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations, and cash flows for the periods presented in conformity with GAAP.

Remediation efforts on previously reported material weaknesses

In connection with the preparation of our financial statements in connection with our IPO, we identified a material weakness in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The material weakness related to a lack of sufficient full-time accounting personnel with requisite experience and deep technical accounting knowledge to (i) identify and resolve complex accounting issues under

GAAP, and (ii) enable appropriate segregation of duties and reviews over the financial reviews over the financial close and reporting process.

During the year ended December 31, 2022, our management, with the oversight of the Audit Committee of our Board of Directors, designed and implemented measures to remediate the control deficiencies contributing to the material weakness and completed testing of internal controls. These remediation efforts, which continued initiatives that began during the year ended December 31, 2021, included the following:

- Significantly increased our accounting and financial reporting personnel, including hiring of CPAs, and technical accounting and SEC reporting resources with requisite technical accounting knowledge.
- Designed and implemented controls to formalize review procedures around the financial close process with appropriate segregation of duties and to improve the completeness, timeliness and accuracy of our financial reporting and disclosures including the assessment of more judgmental areas of accounting.

While significant progress has been made to improve our internal control over financial reporting, not all aspects of our past material weakness have been sufficiently remediated. The remaining aspect of the material weakness relates to the lack of sufficient accounting resources with deep technical accounting knowledge to identify and resolve complex accounting issues in a timely manner. Remediation of the material weakness will require further validation and testing of the operating effectiveness of the applicable remedial controls over a sustained period of financial reporting cycles.

Changes in internal control over financial reporting

Other than the changes intended to remediate the material weakness noted above, there were no changes in our internal control over financial reporting during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

Except as set forth in Note 6, Commitments and Contingencies, in our notes to the unaudited condensed consolidated financial statements in this Quarterly Report, we do not believe we are currently a party to any legal proceedings, regulatory matters, or other disputes or claims which, if determined adversely to us, would, individually or taken together, have a material adverse effect on our business, financial condition, operating results, liquidity or future prospects. However, regardless of the merits of the claims raised or the outcome, legal proceedings, regulatory matters, and other disputes and claims may have an adverse impact on us as a result of defense and settlement costs, diversion of management time and resources, and other factors

Item 1A. Risk Factors.

We are not aware of any material changes to the risk factors set forth under the heading "Risk Factors" in the 2022 Form 10-K, which are incorporated herein by reference. The risks described in the 2022 Form 10-K are not the only ones we face. Additional risks we currently do not know about or that we currently believe to be immaterial may also impair our business, financial condition, operating results, liquidity, and future prospects.

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

Use of Proceeds

In July 2021, we completed our IPO. All shares sold were registered pursuant to a registration statement on Form S-1 (File No. 333-257320), as amended (the "Registration Statement"), declared effective by the SEC on July 14, 2021.

There has been no material change in the intended use of proceeds from the IPO as described in the Registration Statement.

Recent Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

The following exhibits are filed or furnished as a part of, or incorporated by reference into, this Quarterly Report.

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed/Furnished Herewith
10.1#	Employment Agreement between Sight Sciences, Inc. and Alison Bauerlein, dated April 3, 2023					
31.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act					*
31.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act					*
32.1	Certification of the Chief 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 the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
101.INS	Inline XBRL Instance Document					*
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					*

* Filed herewith.
** Furnished herewith.
Indicates a management or compensator plan

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.

SIGHT SCIENCES, INC

May 8, 2023

By: /s/ Paul Badawi

Paul Badawi

President and Chief Executive Officer

Employment Agreement

This Employment Agreement (this “Agreement”), effective as of April 3, 2023 (the “Effective Date”), is made by and between Sight Sciences, Inc., a Delaware corporation (together with any successor thereto, the “Company”), and Alison Bauerlein (“Executive”) (collectively referred to herein as the “Parties” or individually referred to as a “Party”).

RECITALS

- A. It is the desire of the Company to assure itself of the services of Executive as of the Effective Date and thereafter by entering into this Agreement.
- B. Executive and the Company mutually desire that Executive provide services to the Company on the terms herein provided.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below, the Parties hereto agree as follows:

1. Employment.

(a) General. Effective on the Effective Date, the Company shall commence employment of Executive for the period and in the positions set forth in this Section 1, and subject to the other terms and conditions herein provided.

(b) At-Will Employment. The Company and Executive acknowledge that Executive’s employment is at-will, as defined under applicable law, and that Executive’s employment with the Company may be terminated by either Party at any time for any or no reason (subject to the notice requirements of Section 3(b)). This “at-will” nature of Executive’s employment shall remain unchanged during Executive’s tenure as an employee and may not be changed, except in an express writing signed by Executive and a duly authorized officer of the Company. If Executive’s employment terminates for any reason, Executive shall not be entitled to any payments, benefits, damages, award or compensation other than as provided in this Agreement or otherwise agreed to in writing by the Company or as provided by applicable law. The term of this Agreement (the “Term”) shall commence on the Effective Date and end on the date this Agreement is terminated under Section 3.

(c) Positions and Duties. During the Term, Executive shall serve as Chief Financial Officer of the Company, with such responsibilities, duties and authority normally associated with such position and as may from time to time be assigned to Executive by the Chief Executive Officer of the Company. Executive shall devote substantially all of Executive’s working time and efforts to the business and affairs of the Company (which shall include service to its affiliates, if applicable) and shall not engage in outside business activities (including serving on outside boards or committees) without the consent of the Board of Directors of the Company or an authorized committee of the Board (in either case, the “Board”), provided that Executive shall be permitted to (i) manage Executive’s personal, financial and legal affairs, (ii) participate in trade associations, (iii) continue to serve on those private and public company boards of directors on which Executive is serving as of the Effective Date, and (iv) serve on the board of directors of not-for-profit or tax-exempt charitable organizations, in each case, subject to compliance with this

Agreement and provided that such activities do not materially interfere with Executive's performance of Executive's duties and responsibilities hereunder. Executive agrees to observe and comply with the rules and policies of the Company as adopted by the Company from time to time, in each case, as amended from time to time, and as delivered or made available to Executive (each, a "Policy").

2. Compensation and Related Matters.

(a) Annual Base Salary. During the Term, Executive shall receive a base salary at a rate of \$410,000 per annum, which shall be paid in accordance with the customary payroll practices of the Company and shall be pro-rated for partial years of employment. Such annual base salary shall be reviewed (and may be adjusted) from time to time by the Board (such annual base salary, as it may be adjusted from time to time, the "Annual Base Salary").

(b) Annual Cash Bonus Opportunity. During the Term, Executive will be eligible to participate in an annual incentive program established by the Board. Executive's annual incentive compensation under such incentive program (the "Annual Bonus") shall be targeted at 50% of Executive's Annual Base Salary (such target, as may be adjusted by the Board from time to time, the "Target Annual Bonus"). The Annual Bonus payable under the incentive program shall be based on the achievement of performance goals to be determined by the Board. The payment of any Annual Bonus pursuant to the incentive program shall be subject to Executive's continued employment with the Company through the date of payment, except as otherwise provided in Section 4(b).

(c) Benefits. During the Term, Executive shall be eligible to participate in employee benefit plans, programs and arrangements of the Company, subject to the terms and eligibility requirements thereof and as such plans, programs and arrangements may be amended or in effect from time to time. In no event shall Executive be eligible to participate in any severance plan or program of the Company, except as set forth in Section 4 of this Agreement.

(d) Vacation. During the Term, Executive shall be entitled to paid personal leave in accordance with the Company's Policies. Any vacation shall be taken at the reasonable and mutual convenience of the Company and Executive.

(e) Business Expenses. During the Term, the Company shall reimburse Executive for all reasonable travel and other business expenses incurred by Executive in the performance of Executive's duties to the Company in accordance with the Company's expense reimbursement Policy.

(f) Key Person Insurance. At any time during the Term, the Company shall have the right (but not the obligation) to insure the life of Executive for the Company's sole benefit. The Company shall have the right to determine the amount of insurance and the type of policy. Executive shall reasonably cooperate with the Company in obtaining such insurance by submitting to physical examinations, by supplying all information reasonably required by any insurance carrier, and by executing all necessary documents reasonably required by any insurance carrier, provided that any information provided to an insurance company or broker shall not be provided to the Company without the prior written authorization of Executive. Executive shall incur no financial obligation by executing any required document, and shall have no interest in any such policy.

3. **Termination.**

Executive's employment hereunder and the Term may be terminated by the Company or Executive, as applicable, without any breach of this Agreement under the following circumstances and the Term will end on the Date of Termination:

(a) Circumstances.

- (i) *Death.* Executive's employment hereunder shall terminate upon Executive's death.
- (ii) *Disability.* If Executive has incurred a Disability, as defined below, the Company may terminate Executive's employment.
- (iii) *Termination for Cause.* The Company may terminate Executive's employment for Cause, as defined below.
- (iv) *Termination without Cause.* The Company may terminate Executive's employment without Cause.
- (v) *Resignation from the Company with Good Reason.* Executive may resign Executive's employment with the Company with Good Reason, as defined below.
- (vi) *Resignation from the Company without Good Reason.* Executive may resign Executive's employment with the Company for any reason other than Good Reason or for no reason.

(b) Notice of Termination. Any termination of Executive's employment by the Company or by Executive under this Section 3 (other than termination pursuant to Section 3(a)(i)) shall be communicated by a written notice to the other Party hereto (i) indicating the specific termination provision in this Agreement relied upon, (ii) setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, if applicable, and (iii) specifying a Date of Termination which, if submitted by Executive, shall be at least thirty (30) days following the date of such notice (a "Notice of Termination"); *provided, however*, that in the event that Executive delivers a Notice of Termination to the Company, the Company may, in its sole discretion, change the Date of Termination to any date that occurs following the date of the Company's receipt of such Notice of Termination and is prior to the date specified in such Notice of Termination, but the termination will still be considered a resignation by Executive. A Notice of Termination submitted by the Company may provide for a Date of Termination on the date Executive receives the Notice of Termination, or any date thereafter elected by the Company. The failure by either Party to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause or Good Reason shall not waive any right of the Party hereunder or preclude the Party from asserting such fact or circumstance in enforcing the Party's rights hereunder.

(c) Company Obligations upon Termination. Upon termination of Executive's employment pursuant to any of the circumstances listed in this Section 3, Executive (or Executive's estate) shall be entitled to receive the sum of: (i) the portion of Executive's Annual Base Salary earned through the Date of Termination, but not yet paid to Executive; (ii) any expense reimbursements owed to Executive pursuant to Section 2(e); and (iii) any amount accrued and arising from Executive's participation in, or benefits accrued under any employee benefit plans, programs or arrangements, which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or

arrangements (collectively, the “Company Arrangements”). Except as otherwise expressly required by law (e.g., COBRA) or as specifically provided herein, all of Executive’s rights to salary, severance, benefits, bonuses and other compensatory amounts hereunder (if any) shall cease upon the termination of Executive’s employment hereunder. In the event that Executive’s employment is terminated by the Company for any reason, Executive’s sole and exclusive remedy shall be to receive the payments and benefits described in this Section 3(c) or Section 4, as applicable.

(d) Deemed Resignation. Upon termination of Executive’s employment for any reason, Executive shall be deemed to have resigned from all offices and directorships, if any, then held with the Company or any of its subsidiaries.

4. Severance Payments.

(a) Termination for Cause, or Termination Upon Death, Disability or Resignation from the Company Without Good Reason. If Executive’s employment shall terminate as a result of Executive’s death pursuant to Section 3(a)(i) or Disability pursuant to Section 3(a)(ii), pursuant to Section 3(a)(iii) for Cause, or pursuant to Section 3(a)(vi) for Executive’s resignation from the Company without Good Reason, then Executive shall not be entitled to any severance payments or benefits, except as provided in Section 3(c).

(b) Termination without Cause or Resignation from the Company with Good Reason. If Executive’s employment terminates without Cause pursuant to Section 3(a)(iv), or pursuant to Section 3(a)(v) due to Executive’s resignation with Good Reason, then except as otherwise provided under Section 4(c) and subject to Executive signing on or before the 21st day following Executive’s Separation from Service (as defined below), and not revoking, a release of claims substantially in the form attached as Exhibit A to this Agreement (the “Release”) and Executive’s continued compliance with Section 5, Executive shall receive, in addition to payments and benefits set forth in Section 3(c), the following:

(i) an amount in cash equal to 1.0 times the Annual Base Salary, payable in the form of salary continuation in regular installments over the 12 month period following the date of Executive’s Separation from Service (the “Severance Period”) in accordance with the Company’s normal payroll practices;

(ii) to the extent unpaid as of the Date of Termination, an amount in cash equal to any Annual Bonus earned by Executive for the Company’s fiscal year prior to the fiscal year in which the Date of Termination occurs, as determined by the Board in its discretion based upon actual performance achieved, which Annual Bonus, if any, shall be paid to Executive in the fiscal year in which the Date of Termination occurs when bonuses for such prior fiscal year are paid in the ordinary course to actively employed senior executives of the Company; and

(iii) if Executive timely elects to receive continued medical, dental or vision coverage under one or more of the Company’s group medical, dental or vision plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”), then the Company shall directly pay, or reimburse Executive for, the COBRA premiums for Executive and Executive’s covered dependents under such plans, less the amount Executive would have had to pay to receive such coverage as an active employee based on the cost sharing levels in effect on the Date of Termination, during the period commencing on Executive’s Separation from Service and ending upon the earliest of (A) the last day of the Severance Period, (B) the date that Executive and/or Executive’s covered dependents become no longer eligible for COBRA and (C) the date

Executive becomes eligible to receive medical, dental or vision coverage, as applicable, from a subsequent employer (and Executive agrees to promptly notify the Company of such eligibility) (the “COBRA Continuation Period”). Notwithstanding the foregoing, if the Company determines it cannot provide the foregoing benefit without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act) or incurring an excise tax, the Company shall in lieu thereof provide to Executive a taxable monthly payment in an amount equal to the monthly COBRA premium that Executive would be required to pay to continue Executive’s and Executive’s covered dependents’ group health coverage in effect on the Date of Termination (which amount shall be based on the premium for the first month of COBRA coverage), less the amount Executive would have had to pay to receive group health coverage as an active employee for Executive and his or her covered dependents based on the cost sharing levels in effect on the Date of Termination, which payments shall be made for the remainder of the COBRA Continuation Period.

(c) Change in Control. In lieu of the payments and benefits set forth in Section 4(b), in the event Executive’s employment terminates without Cause pursuant to Section 3(a)(iv), or pursuant to Section 3(a)(v) due to Executive’s resignation with Good Reason, in either case, on or within twelve (12) months following the date of a Change in Control, subject to Executive signing on or before the 21st day following Executive’s Separation from Service, and not revoking, the Release and Executive’s continued compliance with Section 5, Executive shall receive, in addition to the payments and benefits set forth in Section 3(c), the following:

- (i) an amount in cash equal to 1.5 times the Annual Base Salary, payable in equal installments over the 18 month period following the date of Executive’s Separation from Service (the “CIC Severance Period”) in accordance with the Company’s normal payroll practices;
- (ii) the payment set forth in Section 4(b)(ii);
- (iii) the benefits set forth in Section 4(b)(iii), provided that for this purpose, the “Severance Period” will mean the CIC Severance Period;
- (iv) an amount in cash equal to 1.5 times the Target Annual Bonus, payable in a lump sum on the Company’s first ordinary payroll date that occurs after the Date of Termination; and
- (v) all unvested equity or equity-based awards held by Executive under any Company equity compensation plans that vest solely based on continued employment or service shall immediately become 100% vested, with any other equity or equity-based awards being governed by the terms of the applicable award agreement.

(d) Survival. Notwithstanding anything to the contrary in this Agreement, the provisions of Sections 5 through 9 will survive the termination of Executive’s employment and the termination of the Term.

5. Restrictive Covenants. Executive acknowledges that Executive is subject to the terms and provisions of an Employee Proprietary Information and Inventions Assignment Agreement, effective as of April 3, 2023 (the “Restrictive Covenant Agreement”). Executive agrees to abide by the terms of the Restrictive Covenant Agreement, which is hereby incorporated by reference into this Agreement. Executive acknowledges that the provisions of the Restrictive Covenant Agreement will survive the termination of Executive’s employment and the termination of the Term for the periods set forth in the Restrictive Covenant Agreement.

6. Assignment and Successors.

The Company may assign its rights and obligations under this Agreement to any of its affiliates or to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise), and may assign or encumber this Agreement and its rights hereunder as security for indebtedness of the Company and its affiliates. This Agreement shall be binding upon and inure to the benefit of the Company, Executive and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. None of Executive’s rights or obligations may be assigned or transferred by Executive, other than Executive’s rights to payments hereunder, which may be transferred only by will or operation of law. Notwithstanding the foregoing, Executive shall be entitled, to the extent permitted under applicable law and applicable Company Arrangements, to select and change a beneficiary or beneficiaries to receive compensation hereunder following Executive’s death by giving written notice thereof to the Company.

7. Certain Definitions.

(a) Cause. The Company shall have “Cause” to terminate Executive’s employment hereunder upon:

(i) The Board’s reasonable, good faith determination that Executive has refused to (A) substantially perform the duties associated with Executive’s position with the Company or (B) carry out the reasonable and lawful instructions of the Board concerning duties or actions consistent with the Executive’s position with the Company;

(ii) Executive’s material breach of a Policy, this Agreement or any other material agreement between the Executive and the Company (including, without limitation, the Restrictive Covenant Agreement);

(iii) Executive’s conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any felony or crime involving moral turpitude;

(iv) Executive’s unlawful use (including being under the influence) or possession of illegal drugs on the Company’s (or any of its affiliate’s) premises or while performing Executive’s duties and responsibilities under this Agreement; or

(v) Executive’s commission of any act of fraud or material dishonesty, embezzlement, misappropriation, willful misconduct, or breach of fiduciary duty against the Company or any of its affiliates;

provided, however, that Executive’s termination will not be considered for Cause unless and until (a) the Company has provided Executive, within 60 days of the Company’s knowledge of the occurrence of the

facts and circumstances underlying the Cause event, written notice stating with reasonable specificity the applicable facts and circumstances underlying such finding of Cause and (b) in the case of alleged Cause under clause (i) or (ii) of the foregoing definition (except with respect to a breach of the Restrictive Covenant Agreement) and to the extent the applicable condition or event is reasonably capable of being cured, Executive shall have failed to cure such condition or event within 30 days after the receipt of such notice, provided that Executive need not have been provided an opportunity to cure more than once in any twelve month period.

(b) Change in Control. “Change in Control” shall have the meaning set forth in the Sight Sciences, Inc. 2021 Incentive Award Plan.

(c) Code. “Code” shall mean the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder.

(d) Date of Termination. “Date of Termination” shall mean (i) if Executive’s employment is terminated by Executive’s death, the date of Executive’s death; or (ii) if Executive’s employment is terminated pursuant to Section 3(a)(ii) – (vi), either the date indicated in the Notice of Termination or the date specified by the Company pursuant to Section 3(b), whichever is earlier.

(e) Disability. “Disability” shall mean, at any time the Company or any of its affiliates sponsors a long-term disability plan for the Company’s employees, “disability” as defined in such long-term disability plan for the purpose of determining a participant’s eligibility for benefits, *provided, however*, if the long-term disability plan contains multiple definitions of disability, “Disability” shall refer to that definition of disability which, if Executive qualified for such disability benefits, would provide coverage for the longest period of time. The determination of whether Executive has a Disability shall be made by the person or persons required to make disability determinations under the long-term disability plan. At any time the Company does not sponsor a long-term disability plan for its employees, “Disability” shall mean Executive’s inability to perform, with or without reasonable accommodation, the essential functions of Executive’s positions hereunder for a total of three months during any six-month period as a result of incapacity due to mental or physical illness as determined by a physician selected by the Company or its insurers and acceptable to Executive or Executive’s legal representative, with such agreement as to acceptability not to be unreasonably withheld or delayed. Any refusal by Executive to submit to a medical examination for the purpose of determining Disability shall be deemed to constitute conclusive evidence of Executive’s Disability.

(f) Good Reason. “Good Reason” means the occurrence of any of the following events, unless Executive consents in writing to the applicable event: (i) a reduction in Executive’s Annual Base Salary or Target Annual Bonus (excluding any reduction in Annual Base Salary that is proportionate to a reduction of base salaries affecting substantially all other executive officers of the Company), (ii) a material decrease in Executive’s authority or areas of responsibility as are commensurate with Executive’s title or position with the Company (other than in connection with a Change in Control transaction where the Executive continues to have substantially the same authority and duties with respect to the Company’s business, substantially as such business exists prior to the date of consummation of such corporate transaction, but does not hold such position with respect to the successor or surviving entity (or its ultimate parent), (iii) the relocation of Executive’s primary office to a location more than thirty-five (35) miles from the Executive’s primary office as of the date of this Agreement, (iv) the failure of any successor of all or substantially all of the Company’s assets to assume this Agreement, to the extent such assumption does not occur automatically by operation of law, or (v) the Company’s breach of a material provision of this Agreement or any other material agreement between the Company and the

Executive. Notwithstanding the foregoing, Executive's resignation of employment will not be for Good Reason unless and until: (a) Executive has provided the Company, within sixty (60) days of Executive's knowledge of the occurrence of the facts and circumstances underlying the Good Reason event, written notice stating with reasonable specificity the applicable facts and circumstances underlying such finding of Good Reason; (b) to the extent reasonably capable of cure, the Company has had an opportunity to cure the same for thirty (30) days after the receipt of such notice; (c) the Company shall have failed to so cure within such period; and (d) Executive resigns within 60 days following the end of such cure period.

8. Parachute Payments.

(a) Notwithstanding any other provisions of this Agreement or any Company equity plan or agreement, in the event that any payment or benefit by the Company or otherwise to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (all such payments and benefits, including the payments and benefits under Section 4 hereof, being hereinafter referred to as the "Total Payments"), would be subject (in whole or in part) to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then the Total Payments shall be reduced (in the order provided in Section 8(b)) to the minimum extent necessary to avoid the imposition of the Excise Tax on the Total Payments, but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income and employment taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income and employment taxes on such Total Payments and the amount of the Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) The Total Payments shall be reduced in the following order: (i) reduction on a pro rata basis of any cash severance payments that are exempt from Section 409A of the Code ("Section 409A"), (ii) reduction on a pro rata basis of any non-cash severance payments or benefits that are exempt from Section 409A, (iii) reduction on a pro rata basis of any other payments or benefits that are exempt from Section 409A, and (iv) reduction of any payments or benefits otherwise payable to Executive on a pro rata basis or such other manner that complies with Section 409A; provided, in case of clauses (ii), (iii) and (iv), that reduction of any payments attributable to the acceleration of vesting of Company equity awards shall be first applied to Company equity awards that would otherwise vest last in time.

(c) All determinations regarding the application of this Section 8 shall be made by an accounting firm or consulting group with experience in performing calculations regarding the applicability of Section 280G of the Code and the Excise Tax selected by the Company (the "Independent Advisors"). For purposes of determinations, no portion of the Total Payments shall be taken into account which, in the opinion of the Independent Advisors, (i) does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) or (ii) constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation. The costs of obtaining such determination and all related fees and expenses (including related fees and expenses incurred in any later audit) shall be borne by the Company.

(d) In the event it is later determined that a greater reduction in the Total Payments should have been made to implement the objective and intent of this Section 8, the excess amount shall be returned promptly by Executive to the Company.

9. Miscellaneous Provisions.

(a) Governing Law. This Agreement shall be governed, construed, interpreted and enforced in accordance with its express terms, and otherwise in accordance with the substantive laws of the State of California without reference to the principles of conflicts of law of the State of California or any other jurisdiction that would result in the application of the laws of a jurisdiction other than the State of California, and where applicable, the laws of the United States.

(b) Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(c) Notices. Any notice, request, claim, demand, document and other communication hereunder to any Party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by facsimile or certified or registered mail, postage prepaid, as follows:

- (i) If to the Company, to the Chief Executive Officer of the Company at the Company's headquarters,
- (ii) If to Executive, to the last address that the Company has in its personnel records for Executive, or
- (iii) At any other address as any Party shall have specified by notice in writing to the other Party.

(d) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement. Signatures delivered by facsimile or PDF shall be deemed effective for all purposes.

(e) Entire Agreement. The terms of this Agreement, and the Restrictive Covenant Agreement incorporated herein by reference as set forth in Section 5, are intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof and supersede all prior understandings and agreements, whether written or oral, including any prior employment offer letter or employment agreement between Executive and the Company. The Parties further intend that this Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

(f) Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by Executive and a duly authorized officer of Company. By an instrument in writing similarly executed, Executive or a duly authorized officer of the Company may waive compliance by the other Party with any specifically identified provision of this Agreement that such other Party was or is obligated to comply with or perform; *provided, however*, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to

exercise and no delay in exercising any right, remedy, or power hereunder will preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

(g) Construction. This Agreement shall be deemed drafted equally by both the Parties. Its language shall be construed as a whole and according to its fair meaning. Any presumption or principle that the language is to be construed against any Party shall not apply. The headings in this Agreement are only for convenience and are not intended to affect construction or interpretation. Any references to paragraphs, subparagraphs, sections or subsections are to those parts of this Agreement, unless the context clearly indicates to the contrary. Also, unless the context clearly indicates to the contrary, (i) the plural includes the singular and the singular includes the plural; (ii) “and” and “or” are each used both conjunctively and disjunctively; (iii) “any,” “all,” “each,” or “every” means “any and all,” and “each and every”; (iv) “includes” and “including” are each “without limitation”; (v) “herein,” “hereof,” “hereunder” and other similar compounds of the word “here” refer to the entire Agreement and not to any particular paragraph, subparagraph, section or subsection; and (vi) all pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the entities or persons referred to may require.

(h) Arbitration. Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled solely and exclusively by a binding arbitration process administered by JAMS/Endispute in San Jose, California. Such arbitration shall be conducted in accordance with the then-existing JAMS/Endispute Rules of Practice and Procedure, with the following exceptions if in conflict: (i) one arbitrator who is a retired judge shall be chosen by JAMS/Endispute; (ii) all fees and costs unique to arbitration, including all fees charged by the arbitrator, shall be paid by the Company; and (iii) arbitration may proceed in the absence of any Party if written notice (pursuant to the JAMS/Endispute rules and regulations) of the proceedings has been given to such Party. Each Party shall bear its own attorney’s fees and expenses; provided that the arbitrator may award the prevailing Party its attorney’s fees and costs to the extent permitted by applicable law. The Parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided, however, that nothing in this subsection shall be construed as precluding the bringing of an action for injunctive relief or specific performance as provided in this Agreement or the Restrictive Covenant Agreement. This dispute resolution process and any arbitration hereunder shall be confidential and neither any Party nor the neutral arbitrator shall disclose the existence, contents or results of such process without the prior written consent of all Parties, except where necessary or compelled in a court to enforce this arbitration provision or an award from such arbitration or otherwise in a legal proceeding. If JAMS/Endispute no longer exists or is otherwise unavailable, the Parties agree that the American Arbitration Association (“AAA”) shall administer the arbitration in accordance with its then-existing rules as modified by this subsection. In such event, all references herein to JAMS/Endispute shall mean AAA. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute over intellectual property rights by court action instead of arbitration.

(i) Enforcement. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the Term, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a portion of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable

provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(j) Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on the advice of counsel if any questions as to the amount or requirement of withholding shall arise.

(k) Section 409A.

(i) *General*. The intent of the Parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

(ii) *Separation from Service*. Notwithstanding anything in this Agreement to the contrary, any compensation or benefits payable under this Agreement that is designated under this Agreement as payable upon Executive's termination of employment shall be payable only upon Executive's "separation from service" with the Company within the meaning of Section 409A (a "Separation from Service") and, except as provided below, any such compensation or benefits described in Section shall not be paid, or, in the case of installments, shall not commence payment, until the thirtieth (30th) day following Executive's Separation from Service (the "First Payment Date"). Any installment payments that would have been made to Executive during the thirty (30) day period immediately following Executive's Separation from Service but for the preceding sentence shall be paid to Executive on the First Payment Date and the remaining payments shall be made as provided in this Agreement.

(iii) *Specified Employee*. Notwithstanding anything in this Agreement to the contrary, if Executive is deemed by the Company at the time of Executive's Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A, such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (i) the expiration of the six-month period measured from the date of Executive's Separation from Service with the Company or (ii) the date of Executive's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to Executive (or Executive's estate or beneficiaries), and any remaining payments due to Executive under this Agreement shall be paid as otherwise provided herein.

(iv) *Expense Reimbursements*. To the extent that any reimbursements under this Agreement are subject to Section 409A, (A) any such reimbursements payable to Executive shall be paid to Executive no later than December 31 of the year following the year in which the expense was incurred, (B) Executive shall submit Executive's reimbursement request promptly following the date the expense is incurred, (C) the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, other than medical expenses referred to in Section 105(b) of the Code, and (D) Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(v) *Installments*. Executive's right to receive any installment payments under this Agreement, including without limitation any continuation salary payments that are payable on

Company payroll dates, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. Except as otherwise permitted under Section 409A, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A.

10. Executive Acknowledgement.

Executive acknowledges that Executive has read and understands this Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on Executive's own judgment.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written.

SIGHT SCIENCES, INC.

By: /s/Paul Badawi
Name: Paul Badawi
Title: CEO

EXECUTIVE

/s/Alison Bauerlein
Alison Bauerlein

[Signature Page to Employment Agreement]

EXHIBIT A

Separation Agreement and Release

This Separation Agreement and Release (“Agreement”) is made by and between Alison Bauerlein (“Executive”) and Sight Sciences, Inc. (the “Company”) (collectively referred to as the “Parties” or individually referred to as a “Party”). Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Employment Agreement (as defined below).

WHEREAS, the Parties have previously entered into that certain Employment Agreement, dated as of April 3, 2023 (the “Employment Agreement”), and that certain Employee Proprietary Information and Inventions Assignment Agreement, dated as of April 3, 2023 (the “Restrictive Covenant Agreement”); and

WHEREAS, in connection with Executive’s termination of employment with the Company or a subsidiary or affiliate of the Company effective _____, 20__, the Parties wish to resolve any and all disputes, claims, complaints, grievances, charges, actions, petitions, and demands that Executive may have against the Company and any of the Releasees as defined below, including, but not limited to, any and all claims arising out of or in any way related to Executive’s employment with or separation from the Company or its subsidiaries or affiliates but, for the avoidance of doubt, nothing herein will be deemed to release any rights or remedies in connection with Executive’s ownership of vested equity securities of the Company, vested benefits or Executive’s right to indemnification by the Company or any of its affiliates pursuant to contract or applicable law (collectively, the “Retained Claims”).

NOW, THEREFORE, in consideration of the severance payments and benefits described in Section 4 of the Employment Agreement, which, pursuant to the Employment Agreement, are conditioned on Executive’s execution and non-revocation of this Agreement, and in consideration of the mutual promises made herein, the Company and Executive hereby agree as follows:

1. Severance Payments and Benefits; Salary and Benefits. The Company agrees to provide Executive with the severance payments and benefits described in Section [4(b)/4(c)] of the Employment Agreement, payable at the times set forth in, and subject to the terms and conditions of, the Employment Agreement. In addition, to the extent not already paid, and subject to the terms and conditions of the Employment Agreement, the Company shall pay or provide to Executive all other payments or benefits described in Section 3(c) of the Employment Agreement, subject to and in accordance with the terms thereof.

2. Release of Claims. Executive agrees that, other than with respect to the Retained Claims, the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company, any of its direct or indirect subsidiaries and affiliates, and any of its or their current and former officers, directors, equityholders, managers, employees, agents, investors, attorneys, shareholders, administrators, affiliates, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries and predecessor and successor corporations and assigns (collectively, the “Releasees”). Executive, on Executive’s own behalf and on behalf of any of Executive’s affiliated companies or entities and any of their respective heirs, family members, executors, agents, and assigns, other than with respect to the Retained Claims, hereby and forever releases the Releasees from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts,

facts, or damages that have occurred up until and including the date Executive signs this Agreement, including, without limitation:

- (a) any and all claims relating to or arising from Executive's employment or service relationship with the Company or any of its direct or indirect subsidiaries or affiliates and the termination of that relationship;
- (b) any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of any shares of stock or other equity interests of the Company or any of its affiliates, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state law, and securities fraud under any state or federal law;
- (c) any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;
- (d) any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the California Worker Adjustment and Retraining Notification Act; the California Fair Employment and Housing Act; the California Family Rights Act; the California Paid Family Leave Act; the California Consumer Credit Reporting Agencies Act; the California Military and Veterans Code; California Business & Professions Code Section 17200; and the California Labor Code;
- (e) any and all claims for violation of the federal or any state constitution;
- (f) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;
- (g) any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement;
- (h) any and all claims arising out of the wage and hour and wage payments laws and regulations of the state or states in which Executive has provided service to the Company or any of its affiliates; and
- (i) any and all claims for attorneys' fees and costs.

Executive acknowledges that Executive has been advised of and is familiar with the provisions of California Civil Code Section 1542, which states:

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A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Being aware of said code section, Executive expressly waives all rights Executive may have thereunder, as well as under any other law, including under common law principles of similar effect.

Executive agrees that the release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to report possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation and any right to receive an award for information provided thereunder, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company for discrimination (with the understanding that Executive's release of claims herein bars Executive from recovering such monetary relief from the Company or any Releasee for any alleged discriminatory treatment), claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law, claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA, claims to any benefit entitlements vested as the date of separation of Executive's employment, pursuant to written terms of any employee benefit plan of the Company or its affiliates and Executive's right under applicable law and any Retained Claims. This release further does not release claims for breach of Section 3(c) or Section 4 of the Employment Agreement.

3. Acknowledgment of Waiver of Claims under ADEA. Executive understands and acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA"), and that this waiver and release is knowing and voluntary. Executive understands and agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the date Executive signs this Agreement. Executive understands and acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further understands and acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Agreement; (b) Executive has 21 days within which to consider this Agreement, and the Parties agree that such time period to review this Agreement shall not be extended upon any material or immaterial changes to this Agreement; (c) Executive has seven days following Executive's execution of this Agreement to revoke this Agreement pursuant to written notice to the Chief Financial Officer of the Company; (d) this Agreement shall not be effective until after the revocation period has expired; and (e) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Agreement and returns it to the Company in less than the 21 day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Agreement.

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4. Restrictive Covenants.

(a) Executive acknowledges and agrees that the post-termination obligations set forth in the Restrictive Covenant Agreement, including without limitation Executive's obligations relating to confidentiality, non-use and non-disclosure of Proprietary Information (as defined in the Restrictive Covenant Agreement), cooperation, and return of property, are hereby incorporated by reference and shall remain in full force and effect pursuant to their terms to the maximum extent permitted by applicable law. Executive represents and warrants that Executive has complied with all provisions of the Restrictive Covenant Agreement at all times through the Effective Date (as defined below). However, nothing in this Agreement prevents Executive from engaging in communications protected by the National Labor Relations Act or discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Executive has reason to believe is unlawful.

(b) Executive's continued compliance with the terms of the Restrictive Covenant Agreement is a material condition to receipt of the severance payments and benefits set forth in Section 1 of this Agreement. In the event Executive breaches the Restrictive Covenant Agreement, then, in addition to any remedies and enforcement mechanisms set forth in the Restrictive Covenant Agreement, the Employment Agreement and this Agreement, and any other remedies available to the Company (including equitable and injunctive remedies), Executive shall forfeit any additional consideration owing and shall be obligated to promptly return to the Company (within fifteen (15) business days of any breach) the full gross amount of all severance payments and benefits provided.

5. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

6. No Oral Modification. This Agreement may only be amended in a writing signed by Executive and a duly authorized officer of the Company.

7. Governing Law; Dispute Resolution. This Agreement shall be subject to the provisions of Sections 9(a), 9(c), and 9(h) of the Employment Agreement.

8. Effective Date. Executive has seven days after Executive signs this Agreement to revoke it and this Agreement will become effective on the eighth day following the date Executive signed this Agreement (the "Effective Date").

9. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Agreement; (b) Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement; (c) Executive has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of Executive's own choice or has elected not to retain legal counsel; (d) Executive understands the terms and consequences of this Agreement and of the releases it contains; and (e) Executive is fully aware of the legal and binding effect of this Agreement.

[*Signature Page Follows*]

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

EXECUTIVE

Dated:

Alison Bauerlein

SIGHT SCIENCES, INC.

Dated:

By: _____
Name:
Title:

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Certification

I, Paul Badawi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter period ended March 31, 2023 of Sight Sciences, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2023

/s/ Paul Badawi
Paul Badawi
Chief Executive Officer
(Principal Executive Officer)

Certification

I, Alison Bauerlein, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter period ended March 31, 2023 of Sight Sciences, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2023

/s/ Alison Bauerlein
Alison Bauerlein
Chief Financial Officer
(Principal Financial Officer)

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Sight Sciences, Inc. (the "Company") hereby certifies that, to his knowledge:

1. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2023

/s/ Paul Badawi
Paul Badawi
Chief Executive Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Sight Sciences, Inc. (the "Company") hereby certifies that, to her knowledge:

1. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2023

/s/ Alison Bauerlein
Alison Bauerlein
Chief Financial Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.
