UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): January 10, 2022

STRATA Skin Sciences, Inc.

(Exact Name of Registrant as Specified in Its Charter)

000-51481
(Commission File Number)

Delaware	**13-3986004**
(State or Other Jurisdiction of Incorporation)	(I.R.S. Employer Identification No.)

5 Walnut Grove Drive, Suite 140
Horsham, Pennsylvania 19044
(Address of principal executive offices, including zip code)

(215) 619-3200
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, $0.001 par value per share	SSKN	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter):

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

On January 10, 2022, STRATA Skin Sciences, Inc. (the "Company") acquired (the "Transaction") substantially all of the assets and certain liabilities related to the TheraClear device ("Theraclear") from Theravant Corporation, a Delaware corporation (the "Seller"), pursuant to the terms and conditions of an Asset Purchase Agreement (the "Purchase Agreement") entered into between the Company and the Seller. The purchase price paid by the Company to the Seller was equal to $500,000 in cash, 358,367 shares of the Company's common stock (the "Shares"), the earnout opportunities discussed below, and the assumption of certain liabilities of the Seller related to TheraClear.

The Company and the Seller also agreed to the following cash earnout opportunities payable by the Company: (i) $1,000,000 upon the earlier of (a) the achievement of $10 million in net revenues (as such term is defined in the Purchase Agreement) during any 12-month rolling period, or (b) the third anniversary of the closing date; (ii) if the first earnout is achieved, $1,000,000 upon the achievement of $12.5 million in net revenues during the 12-month rolling period beginning in the first month following the month in which the first earnout is earned; (iii) if the second earnout is achieved, a cash earnout opportunity of $1,000,000 upon the achievement of $15 million in net revenues during the 12-month rolling period beginning in the first month following the month in which the second earnout is earned; (iv) an additional cash earnout commencing with the first calendar quarter in which the Company collects revenues from commercial sales of the TheraClear Device (as such term is defined in the Purchase Agreement) equal to (a) 20% of gross profit (as such term is defined in the Purchase Agreement) from U.S. sales until such time as the aggregate payments pursuant to this clause equal $5 million, (b) thereafter 15% of gross profit from U.S. sales until such time as the aggregate payments pursuant to this clause and clause (a) above equal $10 million; and (c) thereafter 10% of gross profit from U.S. sales until such time as the aggregate payments pursuant to this clause and clauses (a) and (b) above equal $20 million; at which time the Company shall have no further payment obligations; provided further, that the Company shall have no obligation to make any payment pursuant to clause (iv) following the seventh anniversary of the closing. In addition, the Company shall pay the Seller, on a quarterly basis, an amount equal to 25% of the non-U.S. gross profit for four years following the closing.

The Purchase Agreement contains customary representations and warranties related to TheraClear and the Transaction. The Company and the Seller agreed to certain post-closing covenants with respect to the Business as set forth more fully in the Purchase Agreement. For five years following the closing, the Seller and certain of its principals agreed to non-competition, non-solicitation and non-disparagement restrictive covenants in favor of the Company.

Both the Company and the Seller have agreed to indemnify the other party for losses arising from certain breaches of the Purchase Agreement and other liabilities, subject to certain limitations.

In connection with the closing of the Transaction, the Company and Buyer entered into certain additional ancillary documents, including a transition services agreement, a development agreement (the "Development Agreement") and certain other customary agreements. Pursuant to the Development Agreement, the Company has agreed to pay to the Seller certain milestone payments in connection with the timely development, launch and sales of devices related to the removal of acne scarring, neck line and tattoos, achieving net revenue targets within an agreed upon period of time and other conditions. The Company would pay a milestone payment of $500,000 in connection with the development of a device for each of the three separate treatments, with an additional $500,000 payable upon the achievement of certain net revenue targets with respect to each such treatment.

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Purchase Agreement. A copy of the Purchase Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. The representations, warranties and covenants set forth in the Purchase Agreement have been made only for the purposes of the Purchase Agreement and solely for the benefit of the parties thereto and may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Purchase Agreement instead of establishing these matters as facts. In addition, such representations and warranties were made only as of the dates specified in the Purchase Agreement and information regarding the subject matter thereof may change after the date of the Purchase Agreement. Accordingly, the Purchase Agreement is included with this filing only to provide investors with information regarding its terms and not to provide investors with any other factual information regarding the Company or its business as of the date of the Purchase Agreement or as of any other date. Investors and security holders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were made only as of a specific date and are modified in important part by the underlying disclosure schedules. In addition, certain representations and warranties may be subject to a contractual standard of materiality different from what might be viewed as material to stockholders.

Item 3.02. Unregistered Sales of Equity Securities.

The information disclosed in Item 1.01 of this Current Report on Form 8-K regarding the unregistered sale of the Shares is incorporated herein by reference. The Shares issued by the Company pursuant to the Purchase Agreement have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The Company is relying on the private placement exemption from registration provided by Section 4(a)(2) of the Securities Act and by Rule 506 of Regulation D, and in reliance on similar exemptions under applicable state laws. No form of general solicitation or general advertising was conducted in connection with the issuance. The Shares contain restrictive legends preventing the sale, transfer, or other disposition of such securities, unless registered under the Securities Act, or pursuant to an exemption therefrom. In the Purchase Agreement, the Company agreed to file a resale registration statement with the Securities and Exchange Commission within three business days following the closing.

Item 8.01. Other Events.

On January 10, 2022, the Company issued a press release announcing the Purchase Agreement and the Transaction, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

10.1	Asset Purchase Agreement, dated as of January 10, 2022, between STRATA Skin Sciences, Inc., Theravant Corporation and certain other parties thereto.*
99.1	Press release, dated January 10, 2022, of STRATA Skin Sciences, Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish a copy of such schedules and exhibits, or any section thereof, to the SEC upon request.

Cautionary Notes on Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. These forward-looking statements may include: management plans relating to the Transaction; any statements of the plans and objectives of management for future operations, products or services, including the execution of integration plans relating to the Transaction; any statements of expectation or belief; projections related to certain financial metrics and expenses; and any statements of assumptions underlying any of the foregoing. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "seek", "plan", "will", "would", "target," "outlook," "estimate," "forecast," "project" and other similar words and expressions or negatives of these words. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time and are beyond our control. Forward-looking statements speak only as of the date they are made. The Company does not assume any duty and does not undertake to update any forward-looking statements. Because forward-looking statements are by their nature, to different degrees, uncertain and subject to assumptions, actual results or future events could differ, possibly materially, from those that the Company anticipated in its forward-looking statements, and future results could differ materially from historical performance. Factors that could cause or contribute to such differences include, but are not limited to, those included under Item 1A "Risk Factors" in the Company's Annual Report on Form 10-K and those disclosed in the Company's other periodic reports filed with the SEC, as well as the possibility that expected benefits of the Transaction may not materialize in the timeframe expected or at all, or may be more costly to achieve; that Business may not perform as expected due to transaction-related uncertainty or other factors; reputational risks and the reaction of the Company's stockholders, customers, employees and other constituents to the Transaction and diversion of management time as a result of matters related to the Transaction. The list of factors presented here is not, and should not be considered, a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward looking statements. For any forward-looking statements made in this report or in any documents, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

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 hereunto duly authorized.

STRATA SKIN SCIENCES, INC.

Date: January 10, 2022

By: /s/ Christopher Lesovitz
Christopher Lesovitz
Chief Financial Officer

EXHIBIT 10.1

ASSET PURCHASE AGREEMENT

between and among

THERAVANT CORPORATION, as Seller

and

STRATA SKIN SCIENCES, INC., as Buyer

and

ASHISH BHATIA, FRANCESCO LUCARELLI AND ROBERT ANDERSON,
solely for purposes of Section 5(h)

and

[**ASHISH BHATIA**],
in his capacity as the Seller's Representative

* * * *

Dated as of January 10, 2022

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is entered into as of January 10, 2022 between and among Theravant Corporation, a Delaware corporation (the "Seller"), Ashish Bhatia, in his capacity as the representative of the Seller (the "Seller Representative"), each of Ashish Bhatia, Francesco Lucarelli and Robert Anderson, solely for purposes of Section 5(h) and STRATA Skin Sciences, Inc., a Delaware corporation (the "Buyer"). The Seller and the Buyer are each a "Party" and are, collectively, the "Parties".

RECITALS

WHEREAS, the Seller desires to sell and transfer to the Buyer, and the Buyer desires to purchase and assume from the Seller, the Purchased Assets free and clean of any Liens (each as hereinafter defined), in exchange for the payment by the Buyer of the amounts set forth herein, and the other consideration set forth herein, in each case in accordance with the terms and subject to the conditions set forth herein; and

WHEREAS, the Parties desire to make certain representations, warranties, covenants, and agreements as set forth more particularly herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, covenants, and agreements herein contained, the Parties agree as follows:

1. Definitions; Interpretations.

(a) Definitions. The following terms shall have the meanings set forth below when capitalized (or not capitalized) in the manner set forth below, and when wholly-capitalized (and the same shall apply to other grammatical forms of the following terms):

"510(k) and Related Regulatory Rights" means, collectively, all FDA approvals and clearances including, but not limited to, 510(k) clearances, 510(k) pre-market notifications and all related filings, submissions and other reports submitted by any Seller under Section 510(k) of the United States Food, Drug and Cosmetic Act, and further including rights, in and copies of, all supporting materials including, without limitation, technical files, drawings and documents supporting the submissions for FDA clearances, device registrations, design files, marketing and manufacturing files, and filings and correspondence with the FDA, together with any foreign equivalents of the foregoing and foreign regulatory filings, reports, submissions, certifications and authorizations relating to products being marketed, manufactured, distributed and/or sold by or on behalf of Seller.

"Action" means any action, claim, counterclaim, demand, charge, complaint, suit, or other dispute resolution or proceeding, whether judicial, administrative or arbitrative, whether civil or criminal, whether brought at equity or at law, and whether brought by a Governmental Authority or any other Person, in each case, by or before a Governmental Authority.

"Acquired Intellectual Property" has the meaning set forth in Section 4(n)(i).

"Acquired Licensed Intellectual Property" has the meaning set forth in Section 4(n)(ii).

"Additional Earnout" shall have the meaning set forth in Section 2(f)(ii).

"Affiliate" means, with respect to a specified Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such specified Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controls" and "controlled") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by Contract, or otherwise.

"Ancillary Agreement" a Bill of Sale by and between the Buyer and the Seller, dated of even date herewith, an Assignment and Assumption Agreement by and between the Buyer and the Seller, dated of even date herewith, a Transition Services Agreement by and between the Buyer and the Seller, dated of even date herewith, a Development Agreement by and between the Buyer and the Seller, dated of even date herewith, each Ancillary Certificate and each other agreement, document, or certificate executed and delivered by a Party in connection herewith or therewith.

"Ancillary Certificate" means each certificate or affidavit delivered, or to be delivered, under this Agreement, including pursuant to Section 6.

"Arbitrator" has the meaning set forth in Section 2(f)(iii)(A).

"Assignment and Assumption Agreement" means that certain Assignment and Assumption Agreement, dated as of the Closing Date, by and between the Seller and the Buyer.

"Assumed Liabilities" means, and is limited to, only those liabilities of the Seller arising from obligations required to be performed following the Closing under any Assumed Contracts and not relating to or resulting from any (A) Action arising from events, facts, or circumstances existing at or prior to the Closing, or (B) breach of such Contract, tort, infringement, violation of Law, or breach of warranty, in each case occurring at or prior to the Closing;

provided, that, in each case, that notwithstanding anything to the contrary set forth in this definition, all Excluded Liabilities shall be excluded from the definition of "Assumed Liabilities."

"Basket Amount" has the meaning set forth in Section 7(f)(i).

"Bill of Sale" means that certain Bill of Sale, dated as of the Closing Date, by the Sellers in favor of the Buyer.

"Business" means, collectively, the business of developing, distributing, marketing and selling the Products (as defined below).

"Business Day" means any day other than a Saturday, Sunday, or a day on which banks in Toledo, Ohio are authorized or obligated by Law to close.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Indemnified Party" means the Buyer and its Affiliates, Representatives, and direct and indirect owners, and the successors and permitted assigns of all the foregoing.

"Cap Amount" has the meaning set forth in Section 7(f)(i).

"Capitalized Lease Obligations" means obligations pursuant to a lease that is, or is required in accordance with GAAP to be, classified as a capitalized lease obligation.

"Closing" has the meaning set forth in Section 2(c).

"Closing Date" has the meaning set forth in Section 2(c).

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means the common stock, par value $0.001 per share, of the Buyer.

"Competitive Business" means, collectively, the business of developing, distributing, marketing and selling a photo-pneumatic broadband light device for the treatment, remediation or prevention of acne.

"Conduct of the Business" means the conduct of the Business of the Seller as currently conducted in the Ordinary Course of Business and as currently proposed to be conducted, in each case as of the date the applicable representation or warranty is made or tested.

"Consent" means:

(a) with respect to any Governmental Authority, any consent or waiver required to be obtained, or notice, payment, or filing required to be made, in each case that if not obtained or made would (with or without notice, lapse of time, or both) (A) violate any Law promulgated or enforced by such Governmental Authority, or (B) conflict with, result in a breach of, give rise to any right to terminate, revoke, suspend, limit, or adversely modify, or result in the loss of any rights under, any Permit issued by such Governmental Authority; and

(b) with respect to any Contract (including any insurance policy), any consent or waiver required to be obtained, or notice, payment, or filing required to be made, in each case that if not obtained or made would (with or without notice, lapse of time, or both) conflict with, or result in a breach of, such Contract, or give rise to any right to terminate, accelerate, or adversely modify, or result in the loss of any rights under such Contract.

"Contemplated Transactions" means, collectively, the purchase, sale and related transactions contemplated by this Agreement.

"Contract" means, with respect to any Person, any contract, purchase order, lease, license, instrument, settlement agreement, or other agreement, commitment, or arrangement, whether written or oral, in each case (i) that is binding on such Person, (ii) to which such Person's assets are subject, and/or (iii) in which such Person has any right or interest.

"Cost of Goods Sold" shall mean the actual direct costs and expenses incurred by the Buyer or its Affiliates to manufacture or have manufactured the Products, in each case, including: (i) the costs of acquiring or manufacturing raw materials, if any; and (ii) fees paid to contract manufacturers.

"Current Contract" means any Contract executed by Seller to manufacture or sell Products prior to the Closing which have not been completed by the Closing Date.

"Customer" means a customer of the Business being purchased hereunder, including end-customers and distributors.

"Determination Time" means 12:01 a.m., Eastern time, on the Closing Date.

"Disclosure Schedules" means the Schedules attached hereto corresponding to the numbered and lettered subsections and clauses of Section 3(a) and Section 4. The disclosures set forth in any Disclosure Schedule shall qualify and apply only to (i) each representation and warranty (or portion thereof) within this Agreement that specifically refers to such Disclosure Schedule, and (ii) any other representations and warranties (or portions thereof) within this Agreement that refer to any Disclosure Schedule to the extent that it is reasonably apparent from the face of such disclosure that such disclosure also qualifies or applies to such other representations and warranties (or portions thereof).

"Earnout Dispute Notice" shall have the meaning set forth in Section 2(f)(iii)(A).

"Earnout Period" shall mean, collectively, the First Measurement Period, the Second Measurement Period, the Third Measurement Period, and the Third Anniversary Milestone.

"Earnout Payment" shall mean, as applicable, the First Earnout Payment, the Second Earnout Payment, and the Third Earnout Payment.

"Earnout Payment Calculation" shall have the meaning set forth in Section 2(f)(i)(D).

"Enterprise Value" means $500,000.00.

"entity" means a Person other than an individual.

"Excluded Assets" means all of the Seller's right, title, and interest in and to the following assets:

(a) all Contracts relating to the Products (including, for the avoidance of doubt, leases, leasehold interests, and licenses and Current Contracts) set forth on Schedule 1.1, and all rights and revenue associated therewith and/or arising thereunder;

(b) all assets of the Seller not explicitly included in the definition of Purchased Assets.

"Excluded Liabilities" means all Liabilities of any Seller or any of its Affiliates that are not expressly set forth in the definition of Assumed Liabilities, including, without limitation, any payables or warranty claims.

"Expiration Date" has the meaning set forth in Section 7(a).

"FDA" means the Food and Drug Administration and any successor Governmental Authority.

"Financial Statements" has the meaning set forth in Section 4(f)(i).

"First Earnout Payment" shall have the meaning set forth in Section 2(f)(i).

"First Measurement Period" shall mean a rolling twelve (12) month period.

"Fundamental Representations" means the representations and warranties set forth in Sections 3(b) (Power and Authority; Execution and Delivery; Due Authorization), 3(f) (Brokers); and 4(a) (Due Organization; Qualification; Corporate Power), 4(b) (Power and Authority; Execution and Delivery; Due Authorization), 4(d) (Brokers), 4(e) (Capitalization) and 4(i) (Compliance with Laws and Permits) and 4(l) (Intellectual Property).

"Funded Indebtedness" means, without duplication, the aggregate amount (including the current portions thereof) of (i) indebtedness for money borrowed or advanced and monetary obligations evidenced by bonds, debentures, notes, or similar debt securities, (ii) Capitalized Lease Obligations, (iii) obligations in respect of the deferred purchase price for property or services, but excluding payables that are taken into account in determining Working Capital, (iv) obligations in respect of letters of credit, acceptances, surety bonds, or similar instruments, and (v) any obligations of another Person that are guaranteed, or secured by any of the assets, of the Seller, including all interest, fees, expenses, prepayment premiums, and breakage costs with respect to any such indebtedness or obligations.

"GAAP" means generally accepted accounting principles as in effect in the United States applied (to the extent not in contravention of the foregoing) on a basis consistent with the principles used in preparing the Year-End Financial Statements (so long as such application is in conformance with generally accepted accounting principles as in effect in the United States).

"Governmental Authority" means any federal, state, group or groups of nations, local, or foreign government, governmental or quasi-governmental authority, political subdivision, regulatory or administrative agency, or governmental department, board, bureau, agency, or instrumentality, including independent agencies and commissions, courts, and tribunals, including arbitral bodies (whether private or governmental), in each case of competent jurisdiction.

"Gross Profit" for any period means Net Revenue for such period less Cost of Goods Sold for such period.

"Indemnified Party" means any applicable Buyer Indemnified Party with respect to any indemnification obligation pursuant to Section 7(b), and any applicable Seller Indemnified Party with respect to any indemnification obligation pursuant to Section 7(c).

"Indemnified Party Representative" means the Buyer with respect to any indemnification obligation pursuant to Section 7(b), and the Seller with respect to any indemnification obligation pursuant to Section 7(c).

"Indemnifying Party" means Seller with respect to any indemnification obligation pursuant to Section 7(b), and the Buyer with respect to any indemnification obligation pursuant to Section 7(c).

"Indemnifying Party Representative" means the Seller with respect to any indemnification obligation pursuant to Section 7(b), and the Buyer with respect to any indemnification obligation pursuant to Section 7(c).

"Intellectual Property" means, collectively, all of the following in any jurisdiction throughout the world: (i) all inventions (whether patentable or un patentable and whether or not reduced to practice), all improvements thereto, and all patents, industrial and utility models, industrial designs, patent applications, provisional applications, and patent disclosures, together with all reissuances, continuations, continuations in part, divisionals, revisions, extensions, reexaminations, other post grant certificates or equivalents or counterparts of any of the foregoing, and any other indicia of invention ownership issued or granted by any Governmental Authority; (ii) all trademarks, service marks, trade dress, brand names, logos, slogans, trade names, corporate names, Internet domain names, URL's and rights in telephone numbers, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith; (iii) all copyrightable works and uncopyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith; (iv) all mask works and all applications, registrations, and renewals in connection therewith; (v) all trade secrets and confidential business information (including ideas, research and development, know how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals); (vi) all computer software and code (including source code, object code, executable code, data, databases, and related documentation); (vii) all other proprietary rights and any moral or economic rights of others in any of the foregoing; (viii) all copies and tangible embodiments of any of the foregoing (in whatever form or medium); and (ix) all rights to income, royalties, damages and payments due or payable, including damages and payments for past, present or future infringements or misappropriations thereof, the right to sue and recover for past infringements or misappropriations thereof, and any and all corresponding rights or interests that, now or hereafter, may be secured throughout the world.

"Intellectual Property Assignments" means those certain agreements with respect to the assignment of Intellectual Property, dated as of the Closing Date, by the Seller, Darrel Chow and Robert Anderson, in each instance in favor of the Buyer.

"Knowledge" (i) with respect to the Seller, means the knowledge of any member of the Seller Knowledge Group, (ii) with respect to any other entity, means the knowledge of any director, manager, or officer of such entity, and (iii) with respect to any individual (including any member of the Seller Knowledge Group), means the actual knowledge of such individual, in each case within the foregoing clauses (i) through (iii), assuming due inquiry.

"Launch" means the Buyer's first placement of a Theraclear device in a physician office or other treatment facility; *provided*, *however*, the Buyer shall be permitted to place five (5) Products to test the market and the Seller acknowledges and agrees that such placements shall not constitute a Launch.

"Law" means any law, constitutional provision, treaty, statute, code, regulation, ordinance, rule, common law, Order, or other requirement of a Governmental Authority including, without limitation, interpretations of such laws such as regulations, guidances, titled and untitled letters.

"Liability" means any liability or obligation of any kind, character, or description, whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, matured or unmatured, due or to become due, vested or unvested, executory, determined, determinable, or otherwise.

"license" means license or sublicense.

"Lien" means any lien (statutory or otherwise), encumbrance, security interest, mortgage, deed of trust, pledge, hypothecation, charge, equitable interest, easement, encroachment, right of way, or any similar title exception (whether arising under Contract, Law, or otherwise).

"Losses" means, collectively, all losses, damages, liabilities, diminution in value, Actions, judgments, awards, injunctions and other equitable remedies, Liens, settlements, Taxes, penalties, fines, interest, costs, court costs, and fees and expenses (including reasonable fees and expenses of legal counsel and other professional advisors and experts), which may include such fees and expenses incurred by the applicable Indemnified Party in connection with the enforcement of its rights hereunder, provided, that Losses shall exclude punitive damages unless and to the extent awarded in connection with a Third Party Claim.

"made available" means made available via the virtual data room hosted by the Seller via Dropbox that clearly identifies the applicable materials. When used in any representation or warranty, "made available" includes only those materials made available (in accordance with the preceding sentence) at least five (5) Business Days prior to the date hereof.

"Material Adverse Effect" means any effect, event, condition, change, state of facts, or group of related effects, events, conditions, changes, or states of facts (each, an "Effect") that is or would reasonably be expected to become, individually or in the aggregate, materially adverse to the Business, assets, prospects, Liabilities, condition (financial or otherwise), operations, or results of operations, of the Business taken as a whole, provided that none of the following shall be taken into account in determining whether there has been or may be a Material Adverse Effect: (i) Effects generally applicable to (A) the global economy, (B) financial, banking, or securities markets (including any disruption thereof, any decline in the price of any security or market index, and any change in prevailing interest rates), or (C) any economies, markets, and industries applicable to the Seller; (ii) changes in GAAP, other applicable accounting standards, or any Laws applicable to the Seller, or any Tax, regulatory, or political conditions applicable to the Seller; and (iii) Effects arising as a result of acts of God (including earthquakes, hurricanes, floods, or other natural disasters or weather-related conditions) or the commencement, occurrence, continuation,

or intensification of any war (whether or not declared), sabotage, armed hostilities, military attacks or acts of terrorism; except, in each case within the foregoing clauses (i) through (iii), to the extent that the Seller is disproportionately adversely affected by such Effects relative to other businesses operating in the industries of such Seller.

"Material Contract" means, collectively, (i) all Contracts relating to the Business that are or should be listed on Schedule 4(j)(i), (ii) all Intellectual Property Licenses, and all amendments, supplements or other modifications with respect to the foregoing.

"Material Customers" means the ten (10) largest customers (including distributors) of the Business, as measured by gross revenues attributable to such customers (including distributors) for the eleven (11) month period ending November 30, 2021.

"Material Suppliers" means the ten (10) largest suppliers (including contract manufacturers) of Products, as measured by the expenses paid to such suppliers during for the eleven (11) month period ending November 30, 2021.

"Measurement Period" shall mean, as applicable, the First Measurement Period, the Second Measurement Period, or the Third Measurement Period.

"Misdirected Item" has the meaning set forth in Section 5(g)(i).

"Mitigating Payments" has the meaning set forth in Section 7(h)(ii).

"Most Recent Balance Sheet" has the meaning set forth in Section 4(f)(i).

"Most Recent Balance Sheet Date" has the meaning set forth in Section 4(f)(i).

"Most Recent Financial Statements" has the meaning set forth in Section 4(f)(i).

"Net Revenue" means, with respect to the Earnout Period, gross revenues recognized in the U.S. from the sale of the Theraclear Devices, and consumables *less* discounts, returns, shipping, shipping insurance and charges of a similar nature and sales Taxes, with all of the foregoing as calculated pursuant to and in accordance with GAAP and determined by reference to the audited financial statements of the Buyer for the Earnout Period.

"Non-Assignable Item" has the meaning set forth in Section 5(f)(i).

"Non U.S. Gross Profit" for any period means Non U.S. Net Revenue for such period less Cost of Goods Sold for Products sold outside the U.S. for such period.

"Non U.S. Net Revenue" means, with respect to the Earnout Period, gross revenues recognized outside the U.S. from the sale of the Theraclear Devices, and consumables *less* discounts, returns, shipping, shipping insurance and charges of a similar nature and sales Taxes, with all of the foregoing as calculated pursuant to and in accordance with GAAP and determined by reference to the audited financial statements of the Buyer for the Earnout Period.

"Objection Notice" has the meaning set forth in Section 2(f)(iii)(A).

"Objection Period" has the meaning set forth in Section 2(f)(iii)(A).

"Order" means any order, award, decision, injunction, judgment, ruling, subpoena, or verdict entered, issued, made, or rendered by any Governmental Authority.

"Ordinary Course of Business" means the ordinary course of business of the Seller relating to the Business, consistent with past practice (including with respect to quantity and frequency).

"Organizational Documents" means the certificate of incorporation, formation, or limited partnership, and the bylaws, limited liability company operating agreement, or limited partnership agreement, or any analogous documents entered into, adopted, or filed in connection with the creation, formation, or organization, in each case of the applicable entity.

"Parties" has the meaning set forth in the Preamble.

"Permit" means any permit, license, franchise, approval, authorization, registration, certificate, variance, clearance, or similar right that may be issued by any Governmental Authority or any accreditation or certification agency, body, or organization.

"Permitted Liens" means Liens set forth on Schedule 4(k) (but only to the extent such Liens are not required to be terminated and released in connection with the Contemplated Transactions) and Liens arising in the Ordinary Course of Business that do not materially impair the use or value of the assets to which they relate.

"Person" means an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity, or a Governmental Authority.

"Products" means, collectively, the TheraClear®™ Acne System and the Theraclear Device and related consumables manufactured, assembled, distributed, marketed or sold by the Seller prior to the Closing Date (including any and all improvements, developments and modifications thereto and accessories thereof, including those concepts in the research and/or development stage) related to the Theraclear Device, together with any and all products which are in the process of being invented related to the Theraclear Device, designed by or on behalf of the Seller.

"Principals" shall mean each of Ashish Bhatia, Francesco Lucarelli and Robert Anderson.

"Purchase Price" means an amount equal to (i) Enterprise Value, plus (ii) the Shares.

"Purchased Assets" means all of the Seller's right, title, and interest in and to the following assets only to the extent such assets relate to the Business and unless as expressly set forth herein shall not include any assets that relate to the Excluded Business:

(i) the Products;

(ii) all Permits relating to the Products, and all rights associated therewith and/or arising thereunder, including with respect to any data and records held by the applicable Governmental Authority;

(iii) all inventories, raw materials, work-in-process, finished goods, supplies, and purchased parts, including, without limitation, those set forth on Exhibit C attached hereto and incorporated herein;

(iv) all Intellectual Property and goodwill associated with the going concern of the Business or any Purchased Asset and all rights associated therewith and/or arising thereunder and all other proprietary know-how, formulae, manufacturing processes, technology, data, research and development records, all other intangible assets, and all user, technical, maintenance or other documentation associated with any of the foregoing;

(v) all 510(k) and Related Regulatory Rights related to the Products;

(vi) all books, records, lists, documents, correspondence, plans, policies, other data and information (including those pertaining to accounts, Customers, suppliers, personnel, Representatives, and other business relations and data that has or may be submitted to one or more Governmental Authority including, without limitation, Regulatory Materials that may be controlled by Seller and/or their employees, contractors and/or Affiliates), and, to the extent they are related to Products being purchased hereunder including, without limitation, all Regulatory Materials;

(vii) all advertising, marketing, promotional, trade show, and other materials, whether in writing, electronic format, or otherwise related to the Products;

(viii) all rights under express or implied warranties from suppliers, manufacturers, and vendors, and all other guarantees, warranties, indemnities and similar rights, in each case with respect to any Purchased Assets;

(ix) those Contracts set forth on Exhibit B attached hereto and incorporated herein (the "Assumed Contracts"); and;

(x) without limiting the generality of clause (a), and for the avoidance of doubt, all rights under non-competition, non-solicitation, confidentiality, assignment of developments and inventions and similar agreements entered into between the Seller and any existing or former employee, contractor, consultant or other Person.

"Regulatory Materials" means, collectively, with respect to any Product: regulatory applications and submissions (and any supplements or amendments thereto) under applicable Healthcare Law; any notifications, communications, correspondence, registrations, master files and/or other filings made or received from or otherwise conducted with a Governmental Authority under applicable Healthcare Laws (*e.g.*, regarding current good manufacturing practices, state and local registrations, and quality system regulations); and records that are necessary or advisable in order to obtain consents, approvals, certifications or authorizations from any Governmental Authorities under applicable Healthcare Laws for research, development, testing, production, manufacturing, approval, labeling, marketing, transfer, distribution, pricing, third party reimbursement and sale of the Products.

Representatives" means, with respect to any Person, the directors, managers, trustees, officers, employees, independent contractors, agents, attorneys, accountants, advisors, and other representatives of such Person and of such Person's Affiliates.

"Restricted Period" has the meaning set forth in Section 5(h)(i).

"Restricted Territory" has the meaning set forth in Section 5(h)(i)(A).

"Second Earnout Payment" shall have the meaning set forth in Section 2(f)(ii).

"Second Measurement Period" shall mean a rolling twelve (12) month period beginning with the first month following the month in which the First Earnout Payment is earned.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended.

"Seller" has the meaning set forth in the Preamble.

"Seller Indemnified Party" means Seller and its Affiliates, Representatives, and direct and indirect owners, and the successors and permitted assigns of all of the foregoing.

"Seller Knowledge Group" means each Principal.

"Seller Permit" has the meaning set forth in Section 4(i)(ii).

"Seller Product/Service" has the meaning set forth in Section 4(n)(i).

"Seller Real Property" means all real property currently owned, leased, or operated by the Seller.

"Seller's Representative" shall have the meaning set forth in Article VIII.

"Seller Subsidiary" means any Subsidiary of the Seller.

"Shares" has the meaning set forth in Section 2(b)(iv).

"Subsidiary" means, with respect to any Person, (i) any corporation of which a majority of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time of determination owned, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, and (ii) any limited liability company, partnership, association, or other entity (other than a corporation) of which a majority of partnership, limited liability company, or other similar ownership interests thereof is at the time of determination owned, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof.

"Systems" has the meaning set forth in Section 4(l)(viii).

"Tax" means any (i) federal, state, local, or foreign income, gross receipts, ad valorem, escheat, unclaimed property, license, payroll, employment, excise, severance, stamp, occupation,

premium, windfall profits, environmental, customs duties, levies, tariffs, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, service, utility, sales, use, transfer, gains, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether or not disputed, (ii) Liability for amounts of the type described in clause (i) as a result of Treasury Regulations §1.1502-6, as a result of being a transferee or successor, or as a result of a Contract or otherwise, or (iii) penalties or fees for failure to file or late filing of any Tax Returns.

"Tax Allocations" has the meaning set forth in Section 2(h).

"Tax Return" means any return, amended return, declaration, report, claim for refund, or information return or statement relating to Taxes filed or required to be filed with a Governmental Authority, including any schedule or attachment thereto, and including any amendment thereof.

"Theraclear 2.0" has the meaning set forth on Exhibit A attached hereto and incorporated herein.

"Theraclear Device" has the meaning set forth in Section 2(g)(i).

"Third Anniversary Milestone" shall mean the third anniversary of the Launch, provided that the Theraclear Device is still commercially marketed by the Buyer in the U.S. at such time.

"Third Earnout Payment" shall have the meaning set forth in Section 2(f)(iii).

"Third Measurement Period" shall mean a rolling twelve (12) month period beginning with the first month following the end of the Second Measurement Period.

"Third Party Claim" has the meaning set forth in Section 7(d)(ii)(A).

"Third Party Claim Notice" has the meaning set forth in Section 7(d)(ii)(A).

"Transfer" means transfer, sell, issue, lease, license, grant any Lien upon, or otherwise dispose of.

"Treasury Regulations" means the regulations promulgated under the Code.

"writing" and "written" means any writing, facsimile, or electronic mail.

"Year-End Financial Statements" has the meaning set forth in Section 4(f)(i).

(b) Accounting Provisions. All accounting terms used but not defined in this Agreement and/or any Ancillary Agreement shall have the respective meanings given to them in conformance with GAAP.

(c) Interpretation. With respect to this Agreement and each Ancillary Agreement:

(i) Unless the context otherwise requires: (A) whenever the word "include", "includes", or "including" is used, it shall be deemed to be followed by the words "without

limitation"; (B) the word "or" shall not be exclusive; (C) the words "hereof", "herein", "hereunder", "herewith", and words of similar import shall refer to this Agreement (or, if used in an Ancillary Agreement, to such Ancillary Agreement) as a whole and not to any particular provision of this Agreement (or such Ancillary Agreement, as applicable); (D) any references contained herein (or in any Ancillary Agreement) to a preamble, section, clause, exhibit, schedule, or other attachment shall refer to the preamble or such section, clause, exhibit, schedule, or other attachment to this Agreement (or, if such reference is contained in an Ancillary Agreement, to such Ancillary Agreement, as applicable); (E) the meaning assigned to each term defined herein or in any Ancillary Agreement shall be equally applicable to both the singular and the plural forms of such term; (F) references to any gender shall include the other gender or shall be neutral; (G) a reference to any Person in a particular capacity shall refer to that Person solely in such capacity, and shall include such Person's permitted successors and assigns in such capacity; (H) a reference to any Law shall include all amendments thereto, all modifications and reenactment thereof, all Laws substituted therefor, and all rules, regulations, and statutory instruments promulgated thereunder or pursuant thereto; (I) a reference to any Contract (including this Agreement and any Ancillary Agreement) shall include all exhibits, schedules, and other attachments to such Contract, and shall refer to such Contract as amended, restated, supplemented, or otherwise modified as of the time of determination; (J) a reference to $ or dollars shall mean U.S. dollars; and (K) when calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement or any Ancillary Agreement, the date that is the reference date in calculating such period shall be excluded and, if the last day of such period is not a Business Day, then the period shall end on the next succeeding Business Day.

(ii) Section headings are not to be considered part of this Agreement or any Ancillary Agreement, are included solely for convenience, are not intended to be full or accurate descriptions of the content of the sections of this Agreement or any Ancillary Agreement, and shall not affect the construction hereof or thereof.

(iii) The Parties have participated jointly in the negotiation and drafting of this Agreement and each Ancillary Agreement (with the benefit of their respective legal counsels) and, in the event an ambiguity or question of intent or interpretation arises, this Agreement and each Ancillary Agreement shall be construed as jointly drafted by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement or such Ancillary Agreement.

2. Purchase and Sale; Payments; Closing.

(a) Purchase and Sale.

(i) At the Closing, on and subject to the terms and conditions of this Agreement, the Buyer does hereby purchase and assume from the Seller, and the Seller does hereby sell and deliver to the Buyer, the Purchased Assets free and clear of any Liens and the Assumed Liabilities, in exchange for the consideration set forth in this Section 2.

(ii) For the avoidance of doubt, the Buyer is neither purchasing nor assuming, and the Seller is not contributing, selling, or delivering, any Excluded Assets or Excluded Liabilities.

(b) Payments at Closing. At the Closing, the Buyer shall: (x) make (or cause to be made) the payments in clauses (i), (ii) and (iii) by wire transfer of immediately available funds to the bank accounts designated in writing by the Seller to the Buyer; and (y) issue the Shares to the Seller as set forth in clause (iv):

(i) to the Seller, an amount equal to $500,000.00 minus (A) the sum of the amounts, if any, necessary to remove any and all Liens on the Purchased Assets and (B) the Funded Indebtedness;

(ii) to the Persons holding any and all Liens on any of the Purchased Assets as of the Closing, an amount payable to each such Person necessary to remove such Lien;

(iii) to the holders of Funded Indebtedness as of the Closing, all such Funded Indebtedness; and

(iv) the number of shares of the Common Stock with an aggregate value of $500,000.00 (the "Shares"), such number of the Common Stock shares to be determined by the Buyer at the Closing and which shall be based upon the ten (10) trading day volume weighted average of the closing price of the Common Stock on the ten (10) trading days ending on the third trading day immediately prior to Closing.

(c) Closing. The closing of the Contemplated Transactions (the "Closing") shall take place remotely by electronic transmission simultaneously with the execution and delivery of this Agreement (the day on which the Closing takes place being referred to herein as the "Closing Date"). Upon consummation of the Closing, all Contemplated Transactions to occur on or as of the Closing or the Closing Date (including the purchase and sale of the Purchased Assets and the delivery of the documents to be delivered at the Closing pursuant to Section 6) shall be deemed to have occurred simultaneously and to be effective as of the Determination Time (other than for Tax purposes).

(d) [Intentionally Omitted]

(e) [Intentionally Omitted.]

(f) Earnout; Additional Earnout.

(i) Earnout.

(A) Upon the earlier of (A) the achievement of $10,000,000.00 in Net Revenues during the First Measurement Period, or (B) the Third Anniversary Milestone, the Seller shall be entitled to receive from the Buyer, in immediately available funds using wire transfer instructions as designated in writing by the Seller, an amount equal to $1,000,000.00 (the "First Earnout Payment"). If the First Earnout Payment is earned in accordance with clause (A) above, the First Earnout Payment shall be payable within ten (10) Business Days following such occurrence. If the First Earnout Payment is earned in accordance with clause (B) above, the First Earnout Payment shall be payable within ten (10) Business Days following such occurrence.

(B) After the First Earnout Payment is made, the Seller shall be entitled to receive from the Buyer, in immediately available funds using wire transfer instructions as designated in writing by the Seller, an amount equal to $1,000,000.00 (the "Second Earnout Payment") upon the achievement of $12,500,000.00 in Net Revenues during the Second Measurement Period.

(C) After the Second Earnout Payment is made, the Seller shall be entitled to receive from the Buyer, in immediately available funds using wire transfer instructions as designated in writing by the Seller, an amount equal to $1,000,000.00 (the "Third Earnout Payment") upon the achievement of $15,000,000.00 in Net Revenues during the Third Measurement Period.

(D)On or before forty-five (45) days following the end of each Measurement Period, the Buyer shall deliver to the Seller a statement of the Earnout Payment due for such Measurement Period ("Earnout Payment Calculation"), which statement shall be accompanied by supporting documentation including information related to revenue recognition for that Measurement Period based on sales of the Theraclear Devices.

(E) The Buyer shall make all shipments of Theraclear Devices in good faith in the ordinary course of its business during the Earnout Period, and such shipments shall be made pursuant to the Buyer's standard terms and conditions, including its standard payment terms.

(F) The Parties agree to treat any payment of any Earnout Amount as an adjustment to the Purchase Price for all purposes hereunder and all Tax purposes, except as otherwise required by applicable Law.

(G) Notwithstanding anything to the contrary contained herein or in any Ancillary Agreement, the right of any Party to receive payment in respect of the Earnout Amount, together with each other right set forth in this Section 2(f)(i), (A) is solely a contractual right and is not a security for purposes of any federal or state securities Laws, and (B) shall not be assigned (by operation of law, merger (whether as surviving or disappearing entity), consolidation, dissolution, or otherwise) or otherwise Transferred without the prior written consent of the Buyer and the Seller, and any such assignment or other Transfer in violation of the foregoing shall be null and void; provided, that, upon advance written notice to the Buyer, the Seller shall have the right to assign and transfer to the Principals its rights in respect of the Earnout Amount. In connection with entering into the agreements set forth within this Section 2(f), the Seller acknowledges and agrees that, from and after the Closing, the Buyer shall be permitted to operate the Business in its sole and absolute discretion, without regard to the effects that such operation of the Business may have on the calculation of the payment made or that otherwise may have been made under this Section 2(f)(i).

(ii) Additional Earnout. As set forth in this Section 2(f)(ii), the below contemplated payments are the "Additional Earnout."

(A) Commencing with the first full calendar quarter in which the Buyer collects revenues from commercial sales of the Theraclear Device, the Buyer shall pay to the

Seller, on a quarterly basis, an amount equal to 20% of Gross Profit from U.S. sales until such time as the aggregate payments pursuant to this Section(f)(ii) equal $5,000,000.00;

(B) Thereafter the Buyer shall pay to the Seller, on a quarterly basis, an amount equal to 15% of Gross Profits from U.S. sales until such time as the aggregate payments to the Seller pursuant to clause (A) above and this clause (B) equal $10,000,000.00;

(C) Thereafter the Buyer shall pay to the Seller, on a quarterly basis, an amount equal to 10% of Gross Profits from U.S. sales until such time as the aggregate payments to the Seller pursuant to clauses (A) and (B) above and this clause (C) equal $20,000,000.00. At such time no additional payments will be made; and

(D) Notwithstanding anything herein to the contrary In, the Buyer shall have no obligation to make any Additional Earnout payments to the Seller pursuant to this Section 2(f)(ii) following the seventh (7th) anniversary, of the Closing Date.

(E) In addition, the Buyer shall pay to the Seller pursuant to this Section 2(f)(ii) following the seventh (7th) anniversary, on a quarterly basis, an amount equal to 25% of Non U.S. Gross Profits for four years from the Closing Date.

(F) The Parties agree to treat any payment of any Additional Earnout as an adjustment to the Purchase Price for all purposes hereunder and all Tax purposes, except as otherwise required by applicable Law.

(G) Notwithstanding anything to the contrary contained herein or in any Ancillary Agreement, the right of any Party to receive payment in respect of the Additional Earnout, together with each other right set forth in this Section 2(f)(ii), (A) is solely a contractual right and is not a security for purposes of any federal or state securities Laws, and (B) shall not be assigned (by operation of law, merger (whether as surviving or disappearing entity), consolidation, dissolution, or otherwise) or otherwise Transferred without the prior written consent of the Buyer and the Seller, and any such assignment or other Transfer in violation of the foregoing shall be null and void; provided, that, upon advance written notice to the Buyer, the Seller shall have the right to assign and transfer to the Principals its rights in respect of the Additional Earnout. In connection with entering into the agreements set forth within this Section 2(f)(ii), the Seller acknowledges and agrees that, from and after the Closing, the Buyer shall be permitted to operate the Business in its sole and absolute discretion, without regard to the effects that such operation of the Business may have on the calculation of the payment made or that otherwise may have been made under this Section 2(f)(ii).

(iii) Disputes.

(A) In the event the Seller in good faith disputes any Earnout Payment Calculation or the amount of Additional Earnout, then the Seller shall deliver a written notice of dispute to the Buyer setting forth in detail the nature of the dispute within ten (10) days after receipt of the Earnout Payment Calculation and the calculation of Additional Earnout ("Earnout Dispute Notice"). The Seller and the Buyer shall negotiate in good faith to resolve such dispute

within thirty (30) days after delivery of the Earnout Dispute Notice. During such thirty (30) day period, the Seller shall (on a confidential basis) have access to a copy of the records of the Buyer necessary to verify the Earnout Payment Calculation and the calculation of Additional Earnout. The Buyer shall provide such copy within five (5) business days after receiving a request from the Seller. If the parties cannot resolve such dispute within such thirty (30) day period (the "Disputed Items"), and the Seller or the Buyer so requests by notice in writing to the other, then, within five (5) Business Days following delivery of such request, the Seller and the Buyer shall engage Citrin Cooperman & Company, LLP or if Citrin Cooperman & Company, LLP is unable or unwilling to accept such engagement (whether as a result of conflicts or otherwise), a nationally-recognized accounting firm as is reasonably agreed to by the Seller and the Buyer (in any case, the "Arbitrator") to resolve the Disputed Items. The Seller and the Buyer shall execute any engagement or similar agreement reasonably requested by the Arbitrator. A single partner of the Arbitrator selected by the Arbitrator in accordance with its normal procedures shall act for the Arbitrator in connection with such engagement. The Seller and the Buyer shall instruct the Arbitrator to render, within thirty (30) days following its engagement, a written determination and report (based solely on presentations by the Seller and the Buyer to the Arbitrator, and not by independent review) as to the Disputed Items (excluding, for the avoidance of doubt, any item that is not set forth in a timely Objection Notice) and the resulting calculation of the Earnout Payment Calculation and the calculation of Additional Earnout. The Arbitrator shall have no authority to resolve any other issues that may arise in connection with this Agreement, including whether the Objection Notice was delivered within the Objection Period. In determining each Disputed Item, the Arbitrator may not assign a value to such item greater than the greatest value, or lower than the lowest value, claimed for such item by either the Buyer in such Adjustment Report or the Seller in such Objection Notice. The Seller and the Buyer shall cooperate with the Arbitrator in making its determination and such determination shall be conclusive and binding upon the Parties absent fraud or manifest error. The fees and disbursements of the Arbitrator shall be paid by the Seller, on the one hand, and by the Buyer, on the other hand, on an inversely proportional basis, based upon the relative difference between the amounts in dispute submitted to the Arbitrator and the Arbitrator's determination of such amounts. Each of the Buyer and the Seller shall pay its own fees and expenses related to such determination. For the avoidance of doubt, whether or not an Arbitrator is engaged, (A) each item that was raised in a timely Objection Notice but that is a not a Disputed Item shall have the value as was agreed to between the Seller and the Buyer, (B) each item that was not raised in a timely Objection Notice shall have the value set forth in the Adjustment Report, and (C) each item that was raised in neither a timely Objection Notice nor an Adjustment Report shall have the value set forth in the Estimated Statement. In the event that the Seller fails to deliver the Earnout Dispute Notice within the ten (10) day time period set forth in this subsection, the Earnout Payment Calculation and the calculation of Additional Earnout shall be deemed final and conclusive. In the event that the Seller does deliver an Earnout Dispute Notice, the Buyer shall pay to the Seller on or before ten (10) days following the resolution of the dispute raised in the Earnout Dispute Notice, the Earnout Payment agreed to by the Parties or specified by the Arbitrator, as applicable.

(B) In the event that the Seller does not deliver an Earnout Dispute Notice, the Buyer shall pay to the Seller on or before sixty (60) days following the end of the Measurement Period covered by the Earnout Payment Calculation, the Earnout Payment reflected thereon, if any and any Additional Earnout due.

(g) Payments Subsequent to Closing. In addition to the payments by the Buyer to the Seller set forth above in Section 2(b), the Buyer shall, assuming the satisfaction of the conditions set forth in clauses (i) and (ii) below, deliver to the Seller's Representative (or cause to be made) the payments in clauses (i) and (ii):

(i) by wire transfer of immediately available funds to the bank accounts designated in writing by the Seller's Representative to the Buyer, an amount equal to $500,000.00 upon the Buyer's Launch of the TheraClear®™ Acne System, a medical device for the treatment of acne as described in U.S. FDA 510(k) clearances K101415 and K123889, and as marketed by the Seller through the Seller's website https://www.theraclear.com/ (the "Theraclear Device"); and

(ii) by wire transfer of immediately available funds to the bank accounts designated in writing by the Seller's Representative to the Buyer, an amount equal to $500,000.00 on the delivery and passing of acceptance test of the commercial model of TheraClear 2.0, as such acceptance test is set forth on Exhibit A attached hereto and incorporated herein.

(h) Tax Allocations. Not later than sixty (60) days after the Closing Date, the Buyer shall prepare and deliver to the Seller a schedule (the "Tax Allocations") allocating the Purchase Price (as the same may be adjusted as expressly provided for herein), including the Earnout Amount (if any), the Additional Earnout Amount (if any) and the Assumed Liabilities, among the Purchased Assets in accordance with the applicable provisions of Section 1060 of the Code and the regulations promulgated thereunder), and such allocation will be conclusive and binding upon the parties hereto for all purposes. The Buyer and the Seller shall each file all Tax Returns (including amended returns and claims for refund) in a manner consistent with such allocation (including the filing of IRS Form 8594), unless otherwise required by applicable Law. Neither the Buyer nor the Seller shall take any position with respect to Taxes that is inconsistent with the agreed upon allocation, including in any audit or examination by any Tax authority, unless otherwise reqed by applicable Law. The Buyer and the Seller shall prepare and timely file such reports and information returns as may be required under applicable Laws to report the allocation of the Purchase Price among the Purchases Assets in accordance with the Tax Allocations. Each Party agrees to notify the other party in the event that any Tax authority takes or proposes to take a position for Tax purposes that is inconsistent with the allocation set forth in the Tax Allocations.

(i) Audit Rights. Buyer agrees to maintain accurate and complete records of all contracts, papers, correspondence, accounts, invoices, data and/or other information in Buyer's possession relating to the sale of the Products and any related revenues and consumables (the "Records") during the Term for a period of two (2) years after the termination of this Agreement. Upon no less than fifteen (15) business days' notice and not more than once in each fiscal quarter, Buyer shall permit a certified public accounting firm selected by the Seller at the Seller's sole expense to have access during normal business hours to such records of the Buyer as may be reasonably necessary to verify the accuracy and completeness of the Earnout Payment and the Additional Earnout. The accounting firm selected by the Seller shall prepare a report stating whether the calculation of Earnout Payment and the Additional Earnout were correct or whether and to what extent an overcharge or underpayment was made. The Seller shall provide the Buyer with the accounting firm's written report within thirty (30) days of completion of such report. If the accounting firm concludes that the Buyer underpaid the Additional Earnout to the Seller, then the Buyer shall pay the amount due within thirty (30) days after the day the Seller delivers the accounting firm's written report to the Buyer. If the accounting firm concludes that the Buyer overpaid the Additional Earnout to the Seller, then the Seller shall pay the amount due within thirty

(30) days after the day the Seller delivers the accounting firm's written report to the Buyer. The Seller shall bear the full cost of such audit unless such audit discloses that the underpayment of the Royalty by the Buyer for the period audited is greater than five percent (5%) from the amount actually paid, in which case the Buyer shall (a) pay the fees and expenses charged by the accounting firm; and (b) pay interest on the amount of the underpayment at the rate of 10% per annum from the time when such underpayment was originally due to the Seller.

3. Representations and Warranties of the Buyer. The Buyer hereby represents and warrants to Seller as follows:

(a) Due Formation. The Buyer is duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Power and Authority; Execution and Delivery; Due Authorization. The Buyer has full corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is or is proposed to be a party and to perform its obligations hereunder and thereunder. This Agreement has been and each Ancillary Agreement to which the Buyer is or is proposed to be a party has been (or, when executed and delivered, will have been) duly executed and delivered by the Buyer and, assuming the due and valid authorization, execution, and delivery by each other party hereto or thereto, this Agreement constitutes and each Ancillary Agreement to which the Buyer is or is proposed to be a party constitutes (or, when executed and delivered, will constitute) a legal, valid, and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms and conditions, except in each case as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or by general principles of equity. The execution, delivery, and performance of this Agreement and each Ancillary Agreement to which the Buyer is or is proposed to be a party have been (or, when executed and delivered, will have been) duly authorized by all requisite corporate action on the part of the Buyer.

(c) Non-contravention. Neither the execution and delivery of this Agreement or any Ancillary Agreement by the Buyer, nor the performance by the Buyer of its obligations hereunder or thereunder, will (A) violate the Organizational Documents of the Buyer, or (B) violate any Law to which the Buyer is subject or require the Consent of any Governmental Authority (other than any Consent that has already been obtained or otherwise satisfied).

(d) Shares. The Shares are duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered by the Buyer in accordance with the terms of this Agreement, will be validly issued and fully paid, and free and clear of any Liens or restrictions on transfer other than those arising under applicable securities Laws or that are created or imposed by the Seller. Assuming the accuracy of Section 4(p), the offer, issuance, sale and delivery of the Shares are or will be exempt from the registration requirements of the Securities Act and the qualification or registration provisions of applicable state securities Laws. The issuance of the Shares is not subject to any preemptive rights, rights of first refusal or other similar rights or provisions.

(e) Legal Proceedings. There are no Actions pending or, to the Knowledge of the Buyer, threatened by or against the Buyer or any Affiliate of the Buyer that challenge or seek to restrain or enjoin the consummation of the Contemplated Transactions.

(f) Brokers. The Buyer has not engaged, and does not and will not have any Liability for the payment of any fees or commissions to, any broker, finder, agent, investment banker, or financial advisor in connection with the Contemplated Transactions.

4. Representations and Warranties of the Seller. Seller hereby represents and warrants to the Buyer as follows:

(a) Due Organization; Qualification; Power. The Seller is duly organized, validly existing, and in good standing under the laws of its jurisdiction of incorporation or formation and is qualified to do business as a foreign entity under the laws of each jurisdiction in which qualification is necessary, which jurisdictions are set forth on Schedule 4(a). The Seller has all requisite corporate or limited liability company power and authority to carry on the business in which it is engaged and to own and use the properties owned and used by it. The Seller is not in breach of or default under (with or without notice, lapse of time, or both) its Organizational Documents. The Seller has made available to the Buyer complete and correct copies of its Organizational Documents.

(b) Power and Authority; Execution and Delivery; Due Authorization. The Seller has full power and authority (including full corporate or limited liability company power and authority) to execute and deliver this Agreement and each Ancillary Agreement to which the Seller is or is proposed to be a party and to perform its obligations hereunder and thereunder. This Agreement has been and each Ancillary Agreement to which the Seller is or is proposed to be a party has been (or, when executed and delivered, will have been) duly executed and delivered by the Seller and, assuming the due and valid authorization, execution, and delivery by each other party hereto or thereto, this Agreement constitutes and each Ancillary Agreement to which the Seller is or is proposed to be a party constitutes (or, when executed and delivered, will constitute) a legal, valid, and binding obligation of the Seller, enforceable against the Seller in accordance with its terms and conditions, except in each case as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or by general principles of equity. The execution, delivery, and performance of this Agreement and each Ancillary Agreement to which the Seller is or is proposed to be a party have been (or, when executed and delivered, will have been) duly authorized by all requisite corporate or limited liability company action on the part of the Seller.

(c) Non-contravention; Legal Proceedings.

(i) Neither the execution and delivery of this Agreement or any Ancillary Agreement by the Seller, nor the performance by the Seller of its obligations hereunder or thereunder, will (A) violate the Organizational Documents of the Seller, (B) violate any Law to which the Seller is subject, (C) except as set forth on Schedule 4(c)(i)(C), require Consent under any Material Contract or (D) result in the loss or impairment of any rights with respect to, or result in the imposition or creation of a Lien upon, any material Purchased Assets.

(ii) There are no Actions pending or, to the Knowledge of the Seller, threatened by or against the Seller or any Affiliate thereof that challenge or seek to restrain or enjoin consummation of the Contemplated Transactions.

(d) Brokers. The Seller has not engaged, and does not and will not have any Liability for the payment of any fees or commissions to, any broker, finder, agent, investment banker, or financial advisor in connection with the Contemplated Transactions.

(e) Capitalization. Schedule 4(e) sets forth the number and class of authorized, and issued and outstanding capital stock (or equivalents thereto, including any stock appreciation, phantom stock, profit participation, rights to be allocated or receive any profits, loss, income, dividends, or distributions, options, warrants, call rights, preemptive, conversion or similar rights) of the Seller and the name of the record holder thereof. All of such issued and outstanding capital stock has been duly authorized, validly issued, fully paid, and non-assessable, and has been issued without violation of any applicable Laws (including securities Laws) or any Contracts or Organizational Documents as then in effect (including any preemptive and anti-dilution rights). There are no Seller Subsidiaries and the Seller does not hold of record or own beneficially, directly or indirectly, any equity (or equivalents thereto) of any Person.

(f) Financial Statements; Undisclosed Liabilities.

(i) Attached hereto as Schedule 4(f)(i) are the following financial statements of the Seller: (A) the compiled, unaudited consolidated balance sheet and statements of income and changes in stockholders' equity as of and for the fiscal years ended December 31, 2019 and December 31, 2020 (collectively, the "Year-End Financial Statements"); and (B) the unaudited consolidated balance sheet and statements of income and changes in stockholders' equity as of and for the eleven (11)-month period ended November 30, 2021 (such date, the "Most Recent Balance Sheet Date", such balance sheet, the "Most Recent Balance Sheet", and such balance sheet and statements of income and changes in stockholders' equity, collectively, the "Most Recent Financial Statements" and, together with the Year-End Financial Statements, collectively, the "Financial Statements"). The Financial Statements (including the notes thereto, as applicable) are complete and correct in all material respects, have been prepared in accordance, and are consistent, with the books and records of the Seller (which books and records are complete and correct in all material respects), and fairly and accurately present in all material respects the financial condition, results of operations, and changes in financial position of the Seller as of such dates and for such periods, in each case in accordance with generally accepted accounting principles as in effect in the United States (as in effect as of the dates such Financial Statements were prepared, applied on a consistent basis throughout the Financial Statements), provided that the Most Recent Financial Statements are subject to normal year-end adjustments and lack footnotes (none of which adjustments or footnotes are or would be material in the aggregate) and other presentation items.

(ii) The Seller does not have any Liabilities or commitments, except those that are adequately reflected or reserved against on the Most Recent Balance Sheet.

(iii) During the three (3) years prior to the date hereof, the Seller has not changed the accounting methods, principles, policies, practices, procedures, classifications, judgments, or estimation methodology used by the Seller in the preparation of the Financial Statements. Since December 31, 2020, the Seller has not (1) accelerated its acquisition of materials or inventory or incurrence of other costs, or (2) otherwise modified its operations in a manner that would accelerate the recognition of revenue, in each case within the foregoing clauses (1) and (2), relative to the Ordinary Course of Business.

(g) Recent Events. Since December 31, 2020, no Material Adverse Effect has occurred, and, except as set forth on Schedule 4(g), the Seller has not:

(i) made any change in the financial accounting, Tax accounting, Tax reporting, or cash or working capital management principles, methods, or practices used by it, except to the extent required by a change in applicable Law or United States generally accepted accounting principles that came into effect following December 31, 2020;

(ii) initiated any Action, or settled, had dismissed, or otherwise resolved any Action brought by or against it;

(iii) suffered or entered into any termination, revocation, suspension, nonrenewal, abandonment, material amendment, or material breach of any of its Permits, Material Contracts, Intellectual Property, or insurance policies; or

(iv) entered into any term sheet, letter-of-intent, or legally binding commitment or Contract to take, or adopted any corporate or other resolution authorizing or approving, any of the foregoing actions.

(h) Litigation; Orders. Except as set forth on Schedule 4(h)(1), there are not currently, and there have not been since the date that is five (5) years prior to the date hereof, any Actions (or, to the Knowledge of the Seller, investigations by any Governmental Authority) pending (or, to the Knowledge of the Seller, threatened) by or against the Seller, or otherwise materially affecting the Seller's Business or any Purchased Assets or Assumed Liabilities. To the Knowledge of the Seller, no event has occurred or circumstance exists that would serve as a reasonable basis for the commencement of, or that would reasonably be expected to give rise to, any such Action or investigation. Except as set forth on Schedule 4(h)(2), none of the Seller, the Seller's Business, or any of the Purchased Assets is subject to any unsatisfied payment obligations or ongoing equitable restrictions pursuant to any Order or settlement agreement or is subject to any Order or settlement agreement that does or would reasonably be expected to prevent or materially delay the consummation of the Contemplated Transactions. None of the Actions, investigations, and Orders set forth on Schedule 4(h)(1) or (2) would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(i) Compliance with Laws and Permits.

(i) The Seller is and to Seller's Knowledge any and all Product licensees and/or Distributors are, and have been at all times since the date that is five (5) years prior to the date hereof, in compliance in all material respects with all Laws applicable to the Seller, the Seller's Business, or any Purchased Assets or Assumed Liabilities. The Seller has not, since the date that is five (5) years prior to the date hereof, received any written notice from any Governmental Authority regarding any actual or alleged violation by the Seller or any director, manager, officer, employee, or independent contractor thereof acting in its capacity as such of any Law, or regarding any actual or potential investigation of the same.

(ii) Schedule 4(i)(ii) sets forth a complete and correct list of each Permit necessary or appropriate for the Conduct of the Business (including any Permit required under applicable Laws and/or Material Contracts), and the issuance and expiration date with respect thereto (each Permit that is or should be set forth on such Schedule, a "Seller Permit"). The Seller (A) maintains and is in compliance in all material respects with each Seller Permit, and (B) has timely and duly filed all applicable renewals and other filings required to have been filed with respect to each Seller Permit. Each Seller Permit is valid, in good standing and in full force and effect.

(iii) Without limiting the generality of the above, the Seller and the Business have been conducted at all times in compliance in all material respects with all anti-money laundering Laws and applicable financial record keeping and reporting requirements, rules, and regulations applicable to the Seller or the Business and no claim before any Governmental Authority involving any Seller with respect to such Laws is pending and, to the knowledge of the Seller, no such claims are threatened or contemplated.

(j) Contracts.

(i) Schedule 4(j)(i) sets forth a complete and correct list, and copies of, of all of the following Contracts of the Seller relating to the Business with respect to which the performance of either party has not been completed as of December 31, 2021, or with respect to which the Seller or other party thereto has, contingent or otherwise, continuing rights or obligations thereunder:

(A) (i) Any Contract with a Material Customer, and (ii) any Contract with a Material Supplier;

(B) Any Contract with any other existing distributor, supplier, manufacturer or vendor, regardless of whether any of the foregoing are Material Customers or Material Suppliers;

(C) Any Contract (or group of related Contracts) with a Person other than a Customer, and in either case the performance of which (i) involved aggregate consideration in excess of $25,000.00 in the twelve (12)-month period ending at the end of the last full month immediately preceding the date hereof, or (ii) would reasonably be expected to involve aggregate consideration in excess of $25,000.00 in the twelve (12)-month period immediately following the date hereof;

(D) Any Contract under which the Seller has made or has the right or obligation to make any (i) loans or advances to any of its current or former directors, managers, officers, employees, or other service providers, other than advances for expenses or in the Ordinary Course of Business, (ii) loans or advances to any other Persons, or (iii) guaranteeing the indebtedness of any other Persons;

(E) Any lease or other Contract pursuant to which the Seller is granted, or grants to another Person, any rights with respect to any hardware, technology, or services related thereto, which hardware, technology, or services is or are material to the Conduct of the Business;

(F) Any Contract primarily concerning non-competition, confidentiality, non-disclosure, non-use obligations and/or development or inventions assignments (including those with existing or former employees, contractors, consultants and other Persons);

(G) List of Contracts with, or any and all details related to in the absence of such a Contract, any countries, or groups of countries, where research studies have been, or

will be, performed and any and all information associated with such research studies including, but not limited to, the requisite registration and disclosure related to such research studies;

(H) List of, and any and all details related to, any applications that have been, or are in the process of being, submitted to any, and all, Healthcare Regulatory Authorities;

(I) List of, and any and all details related to, operating procedures and policies, audit and monitoring reports, corrective and preventative actions;

(J) Any Contract under which the Seller (i) is bound (or is intended to be bound) by any non-competition, non-solicitation, or non-hire provisions, or any other provisions restricting its right to engage in any line of business or provide any goods or services, (ii) has granted any exclusive rights, (iii) has granted any options, (iv) has granted any rights of first offer or refusal, or (v) has granted any "most-favored-nation" right, special discount right, or similar right; and

(K) Any other Contract (or group of related Contracts) that is material to the Conduct of the Business.

(ii) Each Material Contract constitutes a legal, valid, and binding obligation of the Seller, in full force and effect and enforceable in accordance with its terms and conditions against the Seller (and, to the Knowledge of the Seller, each other party thereto). The Seller is not (and, to the Knowledge of the Seller, no other party to any such Material Contract is) in material breach of or default under any Material Contract, with or without the lapse of time or the giving of notice or both. Since the date that is twelve (12) months prior to the date hereof, no other party to any Material Contract has materially reduced or otherwise materially adversely modified the business conducted under such Material Contract, has communicated written notice threatening or stating its intention to do so or to terminate such Material Contract, or has provided written notice claiming a breach of or default under, or repudiating any material provision of, such Material Contract.

(k) Title to and Sufficiency of Assets. The Seller has good and marketable title to, or a legal, valid, and binding leasehold interest in or license to use, all of the Purchased Assets (whether real or personal, and whether tangible or intangible), free and clear of all Liens (other than Permitted Liens). Such title, leasehold interest, or license is not shared by the Seller with any other Person (including either Principal or other Affiliate). The Purchased Assets constitute all assets necessary or appropriate for the Conduct of the Business. Without limiting the foregoing, the Seller has good and marketable title to all Seller Intellectual Property, and a legal, valid, and binding leasehold interest in or license to use all Leased Real Property and Licensed Intellectual Property, in each case free and clear of all Liens (other than Permitted Liens).

(l) Intellectual Property.

(i) Schedule 4(l)(i) sets forth a complete and correct list of all Intellectual Property owned by the Seller and related to, used in or necessary for the operation of the Business (collectively, the "Acquired Intellectual Property"). For each item of Acquired Intellectual Property, Schedule 4(l)(i) sets forth the registration, patent, serial and/or application number, if any, the applicable jurisdiction, the Seller that owns or holds or grants, as applicable to such Acquired Intellectual Property, the date issued (if issued), date granted, and date filed (if filed), and the Governmental Authority or other entity with which any such application has been filed and/or which has issued, reissued and/or renewed any such patent, registration or license, as applicable. The completion of the Contemplated Transactions will not (A) impair any rights of the Seller under, or cause any Seller to be in violation of or default under, any Contract under which it has the right to use or otherwise commercialize or exploit in any way any Acquired Intellectual Property, (B) give rise to any termination or modification of, or entitle any other party to terminate or modify, any such Contract, or (C) require the payment of (or increase the amount of) any royalties, fees, or other consideration with respect to the Seller's use or exploitation of any Acquired Intellectual Property other than (y) fees and expenses required to record the transfer of its ownership; and (z) maintenance, renewal and other fees payable in the ordinary course. The Seller represents the Acquired Intellectual Property is valid, subsisting, and enforceable, and the Seller has taken all action necessary or reasonably advisable, performed all customary or prudent acts, recorded or filed all documents and paid all fees and Taxes (to the extent applicable) required or reasonably advisable to protect and maintain in full force and effect the Acquired Intellectual Property. Without limiting the generality of the foregoing, (i) the Seller has to the extent possible filed all affidavits or other documents regarding its registered trademarks that are required or useful to render such trademarks incontestable or otherwise enhance the scope or strength thereof and (ii) all assignments and licenses of any Acquired Intellectual Property to the Seller or any predecessor in interest thereof have been timely and properly recorded with the U.S. Patent and Trademark Office, the U.S. Copyright Office, or other appropriate agency to the extent required or reasonably advisable. Neither Principal owns or holds any Intellectual Property that is used, commercialized or exploited in any way, or anticipated to be used, commercialized or exploited in any way, by the Seller.

(ii) Seller has the right under a valid and enforceable license set forth on Schedule 4(l)(ii) (or under a valid and enforceable license to Off the Shelf Software), to use and otherwise commercialize or exploit subject to the terms of the license therefor, all licensed Intellectual Property ("Acquired Licensed IP"). The Acquired Intellectual Property and the Acquired Licensed IP collectively constitutes all of the Intellectual Property related to, used in, or necessary for the operation of the Business. To the Knowledge of the Seller, none of the licenses to the Acquired Licensed IP exclusively licensed to the Seller is invalid or unenforceable in whole or in part. Except as set forth on Schedule 4(l)(ii), no loss or expiration of any of the Acquired Licensed IP is pending, reasonably foreseeable or, to the Knowledge of the Seller, threatened.

(iii) Except as set forth on Schedule 4(l)(iii): (A) the use of the Acquired Intellectual Property, and the conduct of the Business, has not and to Seller's Knowledge does not infringe upon or misappropriate any intellectual property rights of any Person, whether directly, vicariously, indirectly, contributorily or otherwise; (B) no claims or allegations of infringement or unauthorized use involving any Acquired Intellectual Property or challenging the Seller's ownership of Intellectual Property owned or purported to be owned by the Seller or right to use, commercialize or exploit any other Intellectual Property is pending by or against any third party,

or have been made in writing against the Seller, and, to the Seller's Knowledge, there is no basis for any such claim; (C) there are no pending claims or allegations or, to the Seller's Knowledge, threatened claims of infringement, misappropriation or unauthorized use of any third party Intellectual Property or technology against the Seller and no such claims or allegations have been made against any Seller and there is no basis for any such claim; (D) the Seller has not received any notices of, and, to the Seller's Knowledge, there are no facts which indicate a likelihood of, any direct, vicarious, indirect, contributory or other infringement, violation or misappropriation by any Seller of any Intellectual Property (including any cease and desist letters or demands or offers to license any Intellectual Property from any other Person); (E) to the Seller's Knowledge, none of the Acquired Intellectual Property is being infringed, misappropriated or otherwise used or available for use by any Person other than the Seller; and (F) none of the Acquired Intellectual Property is or has ever been subject to any Governmental Order.

(iv) Except as set forth on Schedule 4(l)(iv), all Acquired Intellectual Property set forth on Schedule 4(l)(i) is in full force and effect, all renewal and other maintenance filings and fees with respect thereto have been made and paid (to the extent due and payable prior to the date hereof), all other required maintenance actions have been taken, and all such intellectual property rights are valid and enforceable.

(v) Seller has not taken any action which has in any way adversely affected its ownership of any portion of the Acquired Intellectual Property or its use of any Acquired Licensed Intellectual Property, or permitted any such Intellectual Property to enter the public domain. Except as set forth on Schedule 4(l)(v), (A) no licensing fees, royalties, or payments are due and payable in connection with the Seller's use of any Intellectual Property, and (B) the Seller has not licensed or otherwise granted any right to any Person under any Acquired Intellectual Property or has otherwise agreed not to assert any such Acquired Intellectual Property against any Person.

(vi) All employees of the Seller who participated in the creation or contributed to the conception or development of Intellectual Property owned or purported to be owned by the Seller relating to the Business were employees of the Seller at the time of rendering such services and such services were within the scope of their employment or such employees have otherwise validly assigned such Intellectual Property to the Seller or were contractors who assigned such Intellectual Property to the Seller. Except as set forth on Schedule 4(l)(vi), no director, manager, officer, equityholder, employee, consultant, contractor, agent or other representative of the Seller, including each Principal, owns or, to the Seller's Knowledge, claims any rights in (nor has any of them made application for) any Intellectual Property owned or used by the Seller.

(vii) Except as set forth on Schedule 4(l)(vii), the Seller has entered into confidentiality and/or nondisclosure agreements with all Persons with access to the proprietary information or trade secrets of the Seller relating to protect the confidentiality and value of such proprietary information and trade secrets, and, to the Seller's Knowledge, there has not been any breach by any of the foregoing of any such agreement. The Seller uses best efforts to maintain the

secrecy of all proprietary information and trade secrets of the Seller that are material to the operation of the Business and are valuable thereto by virtue of their secrecy.

(viii) Except as set forth on Schedule 4(l)(viii), the information technology systems owned, licensed, leased, operated on behalf of, or otherwise held for use by the Seller, including all computer hardware, software, firmware and telecommunications systems (the "Systems") used by the Seller, (A) perform reliably in all material respects subject to normal wear and tear and in material conformance with the appropriate specifications or documentation for such systems, (B) are sufficient for the conduct of the Business as currently conducted, including as to capacity and ability to process current peak volumes in a timely manner and (C) are not currently in need of any material upgrades, revisions or additions. There have been no bugs in, or failures, breakdowns, or continued substandard performance of, any Systems that has caused the substantial disruption or interruption in or to the use of such Systems by any Seller or the conduct of the Business.

(ix) Schedule 4(l)(ix) set forth a true, correct and complete list of all 510(k) clearances, 510(k) pre-market notifications and other 510(k) and Related Regulatory Rights required for the operation of the Business as currently conducted by the Seller, and the Seller is in compliance in all respects with all Laws relating thereto.

(x) Except as set forth on Schedule 4(l)(x), the Seller has satisfied all of its obligations to any Person, including, without limitation, payment of money or property, who has developed or licensed the Acquired Intellectual Property and the Acquired Licensed IP.

(m) Labor Matters.

(i) No employee or independent contractor of the Seller is bound by any restrictive covenants relating either to the Business or the Products.

(ii) No employee or independent contractor of the Seller is owed any compensation or payment from the Seller except in the ordinary course in accordance with the Seller's payroll practices.

(iii) To the Knowledge of the Seller, no employee of the Seller is obligated under any Contract (including any license, covenant, or commitment of any nature), or is subject to any Order, that would materially interfere with such employee's ability to promote the interest of the Seller or that would conflict with the Conduct of the Business.

(n) Product and Service Liability, Warranties, and Returns.

(i) Since the date that is three (3) years prior to the date hereof, the Seller has not incurred any Liabilities or received written notice of any claims, in all cases for amounts in excess of $15,000.00 in the aggregate (whether or not currently outstanding), arising from any actual or alleged (A) defect or other deficiency (whether of design, manufacture, materials, workmanship, labeling, instructions, inadequate warning, or otherwise) with respect to the Products or related goods, services, or other products that have been designed, manufactured, packaged, shipped, sold, leased out, licensed out, marketed, distributed, or otherwise introduced into the stream of commerce by or on behalf of the Seller, whether as distributor, agent, pursuant

to any Contractual relationship with the manufacturer, or otherwise (each, a "Seller Product/Service"), (B) injury to Persons or property arising from the receipt, ownership, use, or possession of any Seller Product/Service, or (C) breach of, or failure to meet, any express or implied warranty (including any warranty of merchantability or fitness), other Contractual commitment, any applicable standard, any applicable Law, or any specification of any Governmental Authority, in each case relating to the Seller Product/Service. No such Liabilities or claims are currently outstanding, and no event has occurred or circumstance exists that would reasonably be expected to give rise to any such Liabilities, or that would serve as a reasonable basis for the commencement of any such claims. Since the date that is three (3) years prior to the date hereof, all Seller Products/Services have been sold in conformity with all express (and to the Knowledge of the Seller, implied) warranties (including any warranty of merchantability or fitness) and other Contractual commitments.

(ii) Since the date that is three (3) years prior to the date hereof, the Seller Product/Service has not been subject to a recall, and the Seller is not currently planning or contemplating the recall of any Seller Product/Service, in each case whether required by any Governmental Authority or otherwise. The Seller (and to the Knowledge of the Seller, each supplier or manufacturer from whom the Seller has purchased or otherwise obtained raw materials or finished products used in connection with Seller Products/Services) is, and has been at all times since the date that is three (3) years prior to the date hereof, in compliance in all material respects with all Laws and requirements of industry standards organizations, in each case relating to the manufacturing of, or otherwise applicable to, Seller Products/Services. The Seller has not, since the date that is three (3) years prior to the date hereof, received any written notice from any Governmental Authority regarding any actual or alleged violation with respect to any Seller Product/Service of any applicable Laws or requirements of industry standards organizations, or regarding any actual or potential investigation of the same or any actual or potential recall of any Seller Product/Service.

(iii) Attached hereto as Schedule 4(n)(iii) are complete and correct copies of the warranty terms, if any, applicable to all Seller Products/Services for the three (3) year period prior to the date hereof.

(iv) Since the date that is five (5) years prior to the date hereof, the Seller has not experienced (or received written notice of any claims, whether or not outstanding, for) any returns, requests for refunds or price renegotiations, or claims of over-shipment with respect to any Seller Products/Services, except in the Ordinary Course of Business, and, to the Knowledge of the Seller, no event has occurred or circumstance exists that would reasonably be expected to give rise to the occurrence of any such returns, requests for refunds or price renegotiations, or claims of over-shipment.

(o) Inventory. The inventory set forth on the set forth on Exhibit C attached hereto and incorporated here: (i) depicts the current inventory relating to the Products or the; (ii) is owned by the Seller free and clear of all Liens (other than Permitted Liens), and is not held on a consignment basis, and (iii) consists of a quality and quantity that is fully usable and saleable in the Ordinary Course of Business, subject to any inventory write-down or reserve identified on the Most Recent Balance Sheet.

(p) Federal Securities Law Matters.

(i) The Seller, and each Person to whom the Shares may be transferred by the Seller, is an "accredited investor" as defined in Regulation D under the Securities Act and will be acquiring the Shares for his, her or its own account, for investment and not with a view to distribution or sale, or for the account of any other Person.

(ii) The Seller acknowledges that the Seller is experienced, sophisticated and knowledgeable in trading of securities of public companies and that the Seller has been given the opportunity to seek any information and ask any questions of the Buyer which the Seller deems necessary in order to make an informed decision with respect to the purchase of the Shares. The Seller represents that the Seller has, based on such information as the Seller deemed adequate and appropriate, made the Seller's own independent investigation and evaluation of the financial condition of the Buyer and the value of the Common Stock without any reliance on the Buyer. The Seller acknowledges and understands that the Buyer and its Affiliates possess material nonpublic information regarding the Buyer not known to the Seller that may impact the value of the Shares (the "Information"), and that the Buyer is not disclosing the Information to the Seller. The Seller understands, based on the Seller's experience, the disadvantage to which the Seller is subject due to the disparity of information between the Seller and the Buyer. Notwithstanding such disparity, the Seller has deemed it appropriate to enter into this Agreement and to consummate the transaction contemplated hereby. The Seller acknowledges that its financial condition is such that it has no need for liquidity with respect to its investment in the Shares and no need to dispose of the Shares to satisfy any existing or contemplated undertaking or indebtedness.

(q) Full Disclosure. The Seller has made available to the Buyer a complete and correct copy of each of the Contracts, plans, insurance policies, and other documents set forth or referenced (or required to be set forth or referenced) on the Disclosure Schedules and all amendments, supplements, or other modifications thereto. Each description of any such Contract, plan, insurance policy, or other document on the Disclosure Schedules includes all such amendments, supplements, or other modifications thereto. To the Knowledge of the Seller, there are no material facts relating to the business, condition (financial or otherwise), results of operations, assets, prospects, or Liabilities of the Seller relating to the Business that have not been disclosed in this Agreement (including the Disclosure Schedules) or in any Ancillary Agreement. Neither this Agreement (including the Disclosure Schedules) nor any Ancillary Agreement contains any untrue statement of a material fact or omits a material fact necessary in order to make the statements contained herein or therein not misleading.

5. Covenants.

(a) Further Assurances. From and after the Closing, each Party shall, and shall cause its Affiliates and Representatives to, take such further actions and execute and deliver such further documents (in form and substance reasonably satisfactory to such Party) as may be reasonably requested by any other Party to carry out the purposes of this Agreement or any Ancillary Agreement, at the sole cost and expense of the requesting Party (unless the contesting or defending Party is entitled to indemnification therefor pursuant to the terms hereof). Without limiting the generality of the foregoing, the covenants of further assurances provided under this Section 5(a) shall require the Seller, at Buyer's cost and expense, to take any and all action reasonably requested

by the Buyer after the Closing to (i) evidence and confirm the transfer and assignment of the 510(k) and Related Regulatory Rights and provide written notice thereof to the FDA and other applicable Governmental Authorities, (ii) evidence and confirm the transfer and assignment of Intellectual Property included within the Purchased Assets and (iii) provide notice to any authorized representatives of the Seller appointed as such to facilitate the sale and distribution of products outside of the United States, and to designate and appoint such authorized representatives as authorized representatives of the Buyer for such purpose and to ensure the smooth and orderly transition of Business ownership from the Seller to the Buyer.

(b) Litigation Support. From and after the Closing, in the event and for so long as any Party or Affiliate thereof is contesting or defending any Action relating to either (i) a fact, event, or condition in existence or occurring at or prior to the Closing involving any Purchased Assets or Assumed Liabilities, or (ii) the Contemplated Transactions (in each case within the foregoing clauses (i) and (ii), other than any Action between the Buyer and/or any of its Affiliates, on the one hand, and Seller and/or any of its Affiliates, on the other hand), each other Party shall, and shall cause its Affiliates and Representatives to, cooperate with such contesting or defending Party or Affiliate thereof and its counsel in such defense or contest, including by making available its personnel and providing such testimony and access to its books and records as shall be reasonably necessary or advisable in connection with such contest or defense, in each case at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor pursuant to the terms hereof).

(c) Assumed Liabilities. From and after the Closing, the Buyer shall be responsible for, and shall have complete control over the payment, settlement, or other disposition of, or any dispute involving, and shall conduct and control all negotiations and proceedings with respect to, all Assumed Liabilities.

(d) [Intentionally Omitted].

(e) Transfer Taxes. The Seller shall be responsible for the preparation and filing of Tax Returns (including any documentation) with respect to all transfer, documentation, sales, use, stamp, registration, and similar Taxes, including bulk sales taxes, incurred in connection with the Contemplated Transactions. The Seller shall pay and discharge the amount of such Taxes and indemnify and hold harmless the Buyer Indemnified Parties from same.

(f) Consents.

(i) Notwithstanding anything to the contrary in this Agreement or the Ancillary Agreements (but without limiting the representations and warranties set forth herein and therein), to the extent that the purchase, assumption, or other conveyance by the Seller to the Buyer of any Purchased Asset or Assumed Liability hereunder would require Consent of any Governmental Authority or under any Contract, in each case which Consent is not obtained prior to the Closing, then for so long as such Consent is not obtained or otherwise satisfied, such Purchased Asset or Assumed Liability (each, a "Non-Assignable Item") shall be deemed to not have been purchased, assumed, or otherwise conveyed hereunder and shall not constitute a Purchased Asset or Assumed Liability, and instead shall constitute an Excluded Asset or an Excluded Liability, as applicable.

(ii) From and after the Closing, Seller shall, at Buyer's cost and expense, use its reasonable best efforts to assist the Buyer in obtaining or otherwise satisfying all Consents required in connection with the Contemplated Transactions, including by paying any reasonable costs of, or consideration to, any third party in order to obtain or otherwise satisfy such Consents. For so long as any such Consent is not obtained or otherwise satisfied, the Seller shall, at its sole cost and expense, use its reasonable best efforts to provide the Buyer with substantially the same economic and operational benefits of any Non-Assignable Item (that would, if the applicable Consent were obtained or otherwise satisfied, constitute a Purchased Asset) as the Seller received prior to the Closing as a result of such Non-Assignable Item (for example, by way of subleasing, sublicensing, or subcontracting the applicable Non-Assignable Item).

(iii) If and when any Consent with respect to a Non-Assignable Item is obtained or otherwise satisfied, such Non-Assignable Item shall, without the requirement of any further action, automatically be deemed to have been purchased, assumed, or otherwise conveyed hereunder, as applicable, and shall thereupon cease to constitute a Non-Assignable Item, Excluded Asset, or Excluded Liability, and instead shall constitute a Purchased Asset or Assumed Liability, as applicable, and the representations and warranties set forth in this Agreement and the Ancillary Agreements with respect to Purchased Assets or Assumed Liabilities, as applicable, shall be deemed to apply to such item. The Seller shall take such further actions and execute, deliver, and file such further documents as may be reasonably requested by the Buyer to evidence the foregoing, without the payment of additional consideration.

(g) Misdirected Items and Communications.

(i) To the extent that, at any time following the Closing, either the Buyer, on the one hand, or Seller, on the other hand, receives payment of an account receivable or other payment or benefit, or is in possession of any asset (including, in the case of the Buyer, any Excluded Asset, and in the case of the Seller, any Purchased Asset), in each case that in accordance with this Agreement and the Ancillary Agreements is owned by or owed to the other (each, a "Misdirected Item"), then the Person receiving such Misdirected Item shall promptly upon becoming aware of such fact provide written notice to the Person entitled to such Misdirected Item and cooperate to deliver such Misdirected Item to such entitled Person, without the payment of additional consideration. The Person initially receiving such Misdirected Item shall take such further actions and execute, deliver, and file such further documents as may be reasonably requested by the entitled Person in connection with the foregoing, including the endorsement of any applicable checks.

(ii) To the extent that, at any time following the Closing, any Party receives any mail, email, or other written communication that, in the case of the Buyer on the one hand, relates primarily to Excluded Assets and/or Excluded Liabilities, and in the case of the Seller on the other hand, relates primarily to Purchased Assets and/or Assumed Liabilities, then promptly upon becoming aware of such fact, such Party shall promptly forward such communication to the other.

(h) Restrictive Covenants.

(i) The Seller and each Principal in exchange for the good and valuable consideration they are receiving from the Contemplated Transactions, the receipt and sufficiency

of which is hereby acknowledged, intending to be legal bound and acknowledging the Buyer would not enter into this Agreement or the Contemplated Transactions without this Section 6(h), hereby covenant and agree that, during the period commencing at the Closing and continuing until the fifth (5th) anniversary of the Closing Date (the "Restricted Period"), the Seller and each Principal shall not (and shall cause its Affiliates not to) do any of the following, or serve as a partner, joint venturer, director, manager, trustee, officer, employee, independent contractor, agent, lender, investor or equityholder (excluding *de minimis* holdings in publicly traded companies) of any Person that does any of the following, in each case whether directly or indirectly:

(A) participate or engage in, or provide any financial or other assistance to any Person participating or engaging in a Competitive Business anywhere in the world (it being understood, recognized and acknowledged by the Seller that the Business being purchased hereunder is conducted on a global worldwide basis) (the "Restricted Territory"), provided that this clause (A) shall not apply to any Principal serving in any capacity of the Buyer or any of its Affiliates;

(B) solicit, contact, or conduct a Competitive Business with (or attempt to conduct a Competitive Business with) any Person who is then, or was within the twelve (12) months prior thereto, a Customer of the Buyer or the Business being purchased hereunder;

(C) induce or entice (or attempt to induce or entice) any distributor, supplier, vendor, or any other Person having a business relationship with the Buyer or the Business being purchased hereunder to terminate or adversely modify its relationship with the Buyer or such Business;

(D) solicit, contact, hire, engage, or enter into any other business relationship with (or attempt to do any of the foregoing) any Person who is then, or was within the twelve (12) months prior thereto, a director, manager, officer, employee, independent contractor, or agent of the Buyer or the Business being purchased hereunder, or induce or entice (or attempt to induce or entice) any such Person to terminate or adversely modify its relationship with the Buyer or such Business, provided that nothing in this clause (D) shall prohibit the publishing of general advertisements not specifically targeted to any directors, managers, officers, employees, independent contractors, or agents of the Buyer or such Business; or

(E) make or endorse any disparaging, derogatory, or otherwise negative written or oral communication regarding the Business, any of the Purchased Assets or Assumed Liabilities, or the Buyer or its Affiliates or Representatives.

(ii) The Restricted Period with respect to Seller and each Principal shall be tolled during (and shall be deemed to be automatically extended by) any period during which Seller is in violation of any provision set forth in clause (i) above.

(iii) Seller and each Principal hereby agree that the Business would suffer irreparable damage, and money damages would be inadequate, if any provision of clause (i) above were not performed in accordance with its terms and that the Buyer shall be entitled to injunctive relief and specific performance of the terms of clause (i) above, in addition to any other remedy to which it is entitled at law or in equity. Seller and each Principal irrevocably waives any

requirement for the securing or posting of any bond in connection with such remedy. Seller and each Principal further agree that the only permitted objection that it may raise in response to any Action for equitable relief is that it contests the existence of a breach or threatened breach of clause (i) above.

(iv) Seller and each Principal hereby agree that all restrictions set forth in clause (i) above, including those relating to the duration of the Restricted Period and the scope of the Restricted Territory, are necessary and fundamental to the protection of the Buyer and its operation of the Business purchased hereunder, are reasonable and valid, and constitute a material inducement for the Buyer to enter into this Agreement and each Ancillary Agreement and to consummate the Contemplated Transactions. To the extent that any court of competent jurisdiction holds that the duration, scope, or area restrictions set forth in clause (i) above are unreasonable under circumstances then existing, the Parties agree that the maximum duration, scope, or area reasonable under such circumstances shall be substituted for the stated duration, scope, or area and that such court shall be permitted, and this Agreement shall automatically be revised, to modify the restrictions set forth in clause (i) above to cover the maximum period, scope and area permitted by law or equity.

(i) Restrictions on Transfer. The Seller understands and agrees that the Shares will bear a legend substantially similar to the legend set forth below in addition to any other legend that may be required by applicable law or by any agreement between the Buyer and the Seller. Upon receipt of certifications from the Seller reasonably satisfactory to the Buyer's counsel, the Buyer shall cause the legend to be removed in accordance with, and pursuant to, Rule 144 promulgated under the Securities Act and any other applicable federal and state securities Laws.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR REGISTERED AND/OR QUALIFIED UNDER ANY STATE SECURITIES LAWS. THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND REGISTRATION AND/OR QUALIFICATION UNDER APPLICABLE STATE SECURITIES LAWS, (B) IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND REGISTRATION AND/OR QUALIFICATION UNDER APPLICABLE STATE SECURITIES LAWS PROVIDED THAT AT THE ISSUER'S REQUEST, THE TRANSFEROR THEREOF SHALL HAVE DELIVERED TO THE ISSUER AN OPINION OF COUNSEL (WHICH OPINION SHALL BE IN FORM, SUBSTANCE AND SCOPE REASONABLY SATISFACTORY TO THE ISSUER) TO THE EFFECT THAT SUCH SECURITIES MAY BE SOLD OR TRANSFERRED PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION, OR (C) SUCH SECURITIES MAY BE SOLD PURSUANT TO RULE 144 PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

(j) Registration Statement. No later than three (3) Business Days after the Closing Date, the Buyer covenants to file a registration statement with the Securities and Exchange Commission seeking to register the Shares under the Securities Act of 1933. The Buyer shall use commercially reasonable efforts to keep the Shares registered under the Securities Act of 1933 until the one (1) year anniversary of such registration statement becoming effective.

(k) Theraclear 2.0. The Seller shall use commercially reasonable efforts to develop TheraClear 2.0.

6. Closing Deliverables.

(a) Deliverables of the Seller. At the Closing, the Seller shall deliver to the Buyer (or cause to be delivered to the Buyer) the following documents, as applicable, in form and substance reasonably satisfactory to the Buyer:

(i) to the extent requested by the Buyer, a complete and correct payoff letter with respect to all Funded Indebtedness as of the Closing, setting forth the amounts required to be paid to (A) satisfy all such Funded Indebtedness as of the Closing, and (B) terminate and release any related Liens and all other obligations of the Seller in favor of such Person, together with any termination statements on Form UCC-3 or other releases reasonably necessary or desirable to evidence the termination and release of any such Liens and obligations, in each case in form ready for filing (if applicable);

(ii) evidence reasonably satisfactory to the Buyer that each Person who has, directly or indirectly, contributed to the development of the Intellectual Property has assigned his, her or its ownership of the Intellectual Property to the Seller;

(iii) (A) counterparts of each Ancillary Agreement, and (B) such documents, notices and other agreements or instruments of transfer reasonably requested by the Buyer or any applicable Governmental Authority to transfer, assign and convey to the Buyer on an exclusive basis all 510(k) and Related Regulatory Rights, ownership thereof and responsibility therefor pursuant to and as required by all applicable Laws (provided, that it is understood, recognized and agreed that certain of such documents, notices and other agreements or instruments of transfer may be executed after the Closing as contemplated by Section 5(a) to the extent such execution does not adversely affect the rights and interests of the Buyer hereunder);

(iv) evidence the Consents set forth on Schedule 6(a) shall have been obtained or otherwise satisfied;

(v) termination statements on Form UCC-3 or other releases reasonably necessary or desirable to evidence the termination and release of any such Liens and obligations, in each case in form ready for filing (if applicable);

(vi) a Form W-9 or other applicable tax form, duly executed by the Seller;

(vii) a payment direction letter, duly executed by the Seller, setting forth the amount and wire transfer instructions with respect to each payment to be made pursuant to Section 2(b) at the Closing and authorizing the Buyer to pay (or cause to be paid) such amounts using such wire transfer instructions in lieu of making such payments to the Seller;

(viii) a certificate of good standing or analogous status of the Seller in its jurisdiction of organization, certified by the Secretary of State (or analogous office) of its jurisdiction of organization;

(ix) a copy of the articles or certificate of incorporation or analogous charter or similar document of the Seller;

(x) an electronic, operational copy of the most recent version of the object code and/or source code, and/or any progeny or legacy object code and/or source code, all of which is necessary in connection with the operation of the Products, together with all comments and programmers notes;

(xi) a certificate of a secretary or other authorized officer of the Seller certifying as to (A) its Organizational Documents, (B) the resolutions duly adopted by all requisite Persons on its behalf authorizing and approving this Agreement, each Ancillary Agreement to which it is or is proposed to be a party, and the consummation of the Contemplated Transactions, and (C) an incumbency setting forth the names, titles, and signatures of Persons authorized to execute and deliver on its behalf this Agreement and each Ancillary Agreement to which it is or is proposed to be a party; and

(xii) such other documents reasonably requested by the Buyer.

(b) Deliverables of the Buyer. At the Closing, the Buyer shall deliver to Seller the following documents, as applicable, in form and substance reasonably satisfactory to the Seller:

(i) counterparts of each Ancillary Agreement, duly executed by the Buyer; and

(ii) a certificate of good standing or analogous status of the Buyer in its jurisdiction of organization; and

(iii) a certificate of a secretary or other authorized officer of the Seller certifying as to (A) its Organizational Documents, (B) the resolutions duly adopted by all requisite Persons on its behalf authorizing and approving this Agreement, each Ancillary Agreement to which it is or is proposed to be a party, and the consummation of the Contemplated Transactions, and (C) an incumbency setting forth the names, titles, and signatures of Persons authorized to execute and deliver on its behalf this Agreement and each Ancillary Agreement to which it is or is proposed to be a party.

(iv) such other documents reasonably requested by the Seller.

7. Indemnification.

(a) Survival Periods. All representations and warranties made by the Parties in this Agreement and in any Ancillary Certificate shall survive the Closing (and any claims for the breach thereof may be brought) until the eighteen (18)-month anniversary of the Closing Date, provided that:

(i) the Fundamental Representations shall survive the Closing (and any claims for the breach thereof may be brought) for a period of five (5) years after the Closing Date;

(ii) [Intentionally Omitted]; and

(iii) any claims based upon fraud, intentional misrepresentation, willful misconduct or bad faith may be brought anytime indefinitely.

The last date on which a claim for the breach of a representation or warranty contained in this Agreement or in any Ancillary Certificate may be brought in accordance with the foregoing is referred to herein as the "Expiration Date" of such representation or warranty. Any such claim must be asserted by a written notice that provides in reasonable detail the facts, occurrences or omissions giving rise to such breach on or before the applicable Expiration Date, provided that, notwithstanding anything to the contrary contained in this Section 7(a), if such a written notice is given with respect to any claim, such claim shall survive until fully resolved as provided herein.

(b) Seller Indemnities. Subject to the provisions of this Section 7, from and after the Closing:

(i) The Seller shall indemnify, defend and hold harmless each Buyer Indemnified Party from and against any Losses such Buyer Indemnified Party shall suffer resulting from (A) the breach of any representation or warranty made by the Seller in this Agreement or in any Ancillary Certificate, (B) the breach of any covenant or agreement with respect to obligations to be performed by the Seller set forth in this Agreement, (C) any Excluded Liabilities, (D) any Taxes in respect of the Business being purchased hereunder or the Purchased Assets with respect to any period on or prior to the Closing, (E) the applicability of any bulk sales Laws to the Contemplated Transactions, (F) any Action by any Person alleging that the Contemplated Transactions were not duly authorized or approved in accordance with the Organizational Documents of the Seller or applicable Law or (G) the failure by the Seller to obtain any Consent required in connection with the completion of the Contemplated Transactions as such Consents are identified and disclosed on Schedule 4(c)(i)(C).

(c) Buyer Indemnities. Subject to the provisions of this Section 7, from and after the Closing, the Buyer shall indemnify, defend and hold harmless each Seller Indemnified Party from and against any Losses such Seller Indemnified Party shall suffer resulting from (A) the breach of any representation or warranty made by the Buyer in this Agreement or in any Ancillary Certificate, (B) the breach of any covenant or agreement with respect to obligations to be performed by the Buyer set forth in this Agreement, and (C) the operation of the Business after the Closing Date, (D) any Taxes in respect of the Business being purchased hereunder or the Purchased Assets with respect to any period after the Closing and (E) any Assumed Liabilities.

(d) Direct Claims; Third Party Claims.

(i) Direct Claims. If an Indemnified Party incurs Losses for which it is entitled to indemnification under this Section 7, other than as a result of a Third Party Claim, then the Indemnified Party Representative may deliver written notice of its claim for such indemnification to the Indemnifying Party Representative describing its claim for indemnification with reasonable specificity and setting forth, to the extent known, an estimated amount of Losses. If, within thirty (30) days following its receipt of the notice described above, the Indemnifying Party Representative delivers written notice to the Indemnified Party Representative disputing the amount (or any portion thereof) of Losses claimed by such Indemnified Party or that such Indemnified Party is entitled to such indemnification and the Indemnifying Party Representative

and the Indemnified Party Representative are not able to resolve such matter within such thirty (30)-day period, then the Indemnified Party Representative shall be entitled to submit such indemnification claim to any court or authority of competent jurisdiction described in Section 9(h), which claim shall be adjudicated in accordance with the limitations set forth in this Section 7. With respect to any amount (or portion thereof) of Losses claimed by such Indemnified Party that has not been disputed by the Indemnifying Party Representative within such thirty (30)-day period in accordance with the foregoing, such amount (or portion thereof) shall for all purposes under this Agreement conclusively be deemed to be indemnifiable Losses and the applicable Indemnifying Party(ies) shall be liable therefor (it being understood and agreed that, in accordance with the above, such amount (or portion thereof) may not constitute all indemnifiable Losses that may arise from the applicable matter in question).

(ii) Third Party Claims.

(A) If any Person which is not an Indemnified Party shall assert a claim against an Indemnified Party which claim gives rise to a claim for indemnification against an Indemnifying Party under this Section 7 (a "Third Party Claim"), then such Indemnified Party shall, within thirty (30) days after such non-Indemnified Party asserts such claim, deliver written notice of such Third Party Claim to the Indemnifying Party Representative (a "Third Party Claim Notice") (provided that the failure or delay to so notify such Indemnifying Party Representative shall not relieve any Indemnifying Party of its obligations hereunder except to the extent that such Indemnifying Party is actually and materially prejudiced by such failure or delay). Thereafter, each Indemnified Party shall deliver or cause to be delivered to such Indemnifying Party Representative, within five (5) Business Days after such Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by such Indemnified Party relating to the Third Party Claim.

(B) The Indemnifying Party Representative shall have the right (but not the obligation), to be exercised within ten (10) Business Days following its receipt of the Third Party Claim Notice by delivering written notice to the Indemnified Party Representative, to assume and thereafter conduct and control the defense of such Third Party Claim (with counsel of such Indemnifying Party Representative's choice that is reasonably satisfactory to the Indemnified Party Representative), but only if and for so long as (1) such Indemnifying Party Representative acknowledges in a signed writing (which, for the avoidance of doubt, shall be deemed to be binding on behalf of all Indemnifying Parties and irrevocable) that the Indemnifying Party(ies) shall be deemed to be liable for all Losses with respect to such Third Party Claim, (2) such Third Party Claim does not seek monetary damages in an amount in excess of the remaining amount for which the Indemnifying Party(ies) could be liable by virtue of the limitations set forth in Section 7(f)(i)(B), Section 7(g)(B), or any other caps on indemnifiable amounts expressly set forth herein, (3) such Indemnifying Party Representative is conducting and controlling such defense diligently and in good faith, (4) if both an Indemnified Party and an Indemnifying Party are named (by impleader or otherwise) in such Third Party Claim, then there are no material legal defenses available to an Indemnified Party the assertion of which would be adverse to the interests of an Indemnifying Party, (5) such Third Party Claim has not been brought by a Material Customer or Material Supplier, (6) such Third Party Claim does not allege fraud or criminal activity, (7) such Third Party Claim does not seek equitable remedies, and (8) such Third Party Claim, if adversely determined, would not

reasonably be expected to result in a material adverse effect as to an Indemnified Party and its Subsidiaries taken as a whole. If such Indemnifying Party Representative assumes the defense of such Third Party Claim, then, regardless of the outcome of such Third Party Claim, the Indemnifying Party(ies) shall bear all costs and expenses incurred by the Indemnifying Party Representative in connection with such defense. For so long as such Indemnifying Party Representative is conducting and controlling such defense, (I) each Indemnified Party shall have the right, but not the obligation, to participate in such defense with separate counsel of its choosing at its sole cost and expense (or at the Indemnifying Parties' sole cost and expense if there are any conflicts of interests with respect to such defense as between any Indemnified Party and any Indemnifying Party), and (II) each Indemnified Party shall cooperate with such Indemnifying Party Representative in such defense and make available to such Indemnifying Party Representative and its Representatives, at the Indemnifying Party's(ies') sole cost and expense, all witnesses, pertinent records, materials and information in or under such Indemnified Party's possession or control relating thereto as may be reasonably requested by such Indemnifying Party Representative. The Indemnifying Party Representative shall not be permitted to consent to the entry of any judgment or enter into any settlement with respect to such Third Party Claim without the prior written consent of the Indemnified Party Representative, provided that such consent shall not be unreasonably withheld unless such judgment or settlement (w) involves the admission of fraudulent or criminal wrongdoing on the part of any Indemnified Party, (x) imposes equitable relief upon any Indemnified Party, (y) imposes any monetary damages on any Indemnified Party except to the extent that the Indemnifying Parties are required under this Section 7 (after giving effect to all applicable limitations set forth herein), and have the funds available, to pay such damages in their entirety, or (z) does not contain a complete and unconditional release of each applicable Indemnified Party from all liability with respect to such Third Party Claim.

(C) Unless and until the Indemnifying Party Representative assumes the defense of any Third Party Claim as provided in Section 7(d)(ii)(B), each applicable Indemnified Party may defend against such Third Party Claim in any manner it may reasonably deem appropriate (with counsel of such Indemnified Party's choice), in which case each Indemnifying Party shall cooperate with such Indemnified Party in such defense and make available to such Indemnified Party and its Representatives all witnesses, pertinent records, materials, and information in or under such Indemnifying Party's possession or control relating thereto as may be reasonably requested by such Indemnified Party. The conduct of such defense by such Indemnified Party shall not be construed to be a waiver of such Indemnified Party's right to indemnification with respect to such Third Party Claim. No Indemnified Party shall be permitted to consent to the entry of any judgment or enter into any settlement with respect to such Third Party Claim without the prior written consent of such Indemnifying Party Representative (not to be unreasonably withheld, conditioned, or delayed).

(e) Additional Indemnification Provisions.

(i) For purposes of this Section 7, in determining the amount of Losses arising in connection with or resulting from any inaccuracy in or breach of any representation or warranty set forth in this Agreement or in any Ancillary Certificate, each reference to any materiality, Material Adverse Effect, or similar qualification contained in or otherwise applicable to any such representation or warranty shall be disregarded.

(ii) [Intentionally Omitted.]

(iii) Seller, on behalf of itself and its Affiliates, hereby waives any right of contribution or similar right that might otherwise have been available to it against any Buyer Indemnified Party or its insurers with respect to any indemnification obligation pursuant to Section 7(b).

(f) Limitations on Seller Indemnities. Notwithstanding anything to the contrary contained herein, Seller shall not be obligated to indemnify any Buyer Indemnified Party from or against

(i) any Losses arising under Section 7(b)(i)(A) (other than Losses arising from fraud or a breach of a Fundamental Representation): (A) until the Buyer Indemnified Parties shall have suffered such Losses in an aggregate amount equal to $20,000.00 (the "Basket Amount"), after which point the Seller shall be obligated to indemnify each Buyer Indemnified Party from and against the aggregate amount of all such Losses, including the Basket Amount; and/or (B) to the extent that the Buyer Indemnified Parties shall have suffered (and received indemnity payments for) such Losses in an aggregate amount in excess of $200,000.00 plus any amounts paid to Seller in respect of either (i) the Earnout Amount actually received by the Seller; or (ii) the Additional Earnout the Earnout Amount actually received by the Seller (collectively, the "Cap Amount").

(ii) any Losses arising under Section 7(b)(i)(A) arising from a breach of a Fundamental Representation to the extent that the Buyer Indemnified Parties shall have suffered (and received indemnity payments for) such Losses in an aggregate amount equal to the Purchase Price; or

(g) Limitations on Buyer Indemnities. Notwithstanding anything to the contrary contained herein, the Buyer shall not be obligated to indemnify any Seller Indemnified Party from or against any Losses arising under Section 7(c)(A) (other than Losses arising from or a breach of a Fundamental Representation): (A) until the Seller Indemnified Parties shall have suffered such Losses in an aggregate amount equal to the Basket Amount, after which point the Buyer shall be obligated to indemnify the Seller Indemnified Parties solely from and against the aggregate amount of such Losses in excess of the Basket Amount; and/or (B) to the extent that the Seller Indemnified Parties shall have suffered (and received indemnity payments for) such Losses in an aggregate amount in excess of the Cap Amount.

(h) Mitigation; Reductions of Losses.

(i) The Parties shall cooperate and use commercially reasonable efforts to mitigate any Losses for which an Indemnified Party is entitled to indemnification hereunder to the extent required under applicable Law, provided that, notwithstanding the requirements under applicable Law, no Party shall be required to take any action that would be detrimental to it in any material respect, violate any Contract or applicable Law, seek recovery from its Customers, suppliers, vendors, or other material business relations, or file any lawsuit to obtain recovery from any Person or under any insurance policy. All expenses incurred by or on behalf of an Indemnified Party in connection with its efforts to mitigate Losses shall be deemed Losses.

(ii) In calculating the amount of Losses of any Indemnified Party, there shall be a deduction for the amount of any insurance proceeds actually received by such Indemnified Party or any of its Affiliates amounting to a mitigation of such Losses (net of any related deductibles and actual and/or reasonably projected increases in premiums) ("Mitigating Payments"). Without duplication of the foregoing, in the event that any Indemnified Party or any of its Affiliates actually receives any Mitigating Payments in respect of any Losses subsequent to the receipt by such Indemnified Party of any indemnification payment hereunder in respect of such Losses, such Indemnified Party shall promptly make appropriate refunds to the appropriate Indemnifying Party in an aggregate amount equal to the lesser of (A) the amount of such subsequent Mitigating Payments, and (B) the amount of such indemnification payments received hereunder in respect of such Losses.

(i) Effect of Knowledge. The rights of each Person to be indemnified and held harmless, and to exercise any other rights or remedies available to it, under the applicable provisions of this Agreement and any Ancillary Certificate shall not be affected or deemed waived by (A) any investigation made by such Person or its Representatives, or (B) the fact that such Person or its Representatives knew of or reasonably should have known of or reasonably could have foreseen, prior to the Closing, the matter or the breach of the representation, warranty, covenant, or agreement that gave rise to such right to indemnification, to be held harmless, or to exercise such other rights or remedies.

(j) Exclusive Remedy. Except (i) for any equitable remedies of the Parties expressly provided herein (including pursuant to Section 5(f) and Section 9(m)), (ii) as expressly provided in Section 2(f)(ii), Section 2(i), and Section 5(e)(vii), and (iii) with respect to claims based on fraud, intentional misrepresentation, willful misconduct or bad faith, the provisions in Section 5(e) and this Section 7 shall be the sole and exclusive remedy of all Persons following the Closing with respect to claims and other matters arising under this Agreement and any Ancillary Certificate.

(k) Manner of Payment.

(i) All obligations owed to any Party pursuant to Section 5(e) or Section 7(b)(i)(A) shall be satisfied within five (5) Business Days following the final determination of the claim giving rise to such obligation, by wire transfer of immediately available funds to one or more accounts designated in writing by the Buyer. Notwithstanding the foregoing, the Buyer may elect from time to time following the Closing, to be exercised by written notice delivered to the Seller, to offset all or any portion of any undisputed payment(s) then owing under this Agreement or any Ancillary Agreement by Seller to the Buyer or any other Buyer Indemnified Party against an equivalent amount of: (i) any Earnout Amount then owing; or (ii) any other payment then owing under this Agreement or any Ancillary Agreement by the Buyer to Seller.

(ii) All obligations owed to any Seller Indemnified Party pursuant to Section 7(c) shall be satisfied, within five (5) Business Days following the final determination of the claim giving rise to such obligation, by wire transfer of immediately available funds to one or more accounts designated in writing by the Seller.

(l) Tax Treatment. The Parties agree to treat any payment made pursuant to this Section 7 as an adjustment to the Purchase Price for all purposes hereunder and all Tax purposes.

8. Authority of the Seller. [Ashish Bhatia] ("Seller's Representative") shall have the authority to act as the agent for, and to bind and/or execute any documents as attorney-in-fact for, Seller in connection with this Agreement and each Ancillary Agreement. Such authority shall include the sole and exclusive authority to (A) assert, pursue, defend against, contest, and settle claims for indemnification hereunder, (B) exercise any other rights and remedies that may be available to Seller hereunder, (C) defend against, contest, and settle the assertion of any other rights or remedies by the Buyer hereunder, and (D) execute and deliver amendments, consent, and waivers to and under this Agreement and each Ancillary Agreement. Seller shall retain the authority to act on its own behalf with respect to any matter not covered by the preceding sentence and not otherwise expressly required or permitted to be taken solely by [Ashish Bhatia]. The Buyer shall be entitled to rely on the authority granted pursuant to this Article VIII and shall have no liability to Seller as a result of such reliance. All of the powers, authorities, rights, and immunities granted to [Ashish Bhatia] under this Article VIII above shall survive the Closing. The grant of authority provided to [Ashish Bhatia] under this Article VIII is coupled with an interest, shall be irrevocable, and shall survive the death, incompetency, bankruptcy or liquidation of Seller.

9. Miscellaneous.

(a) Press Releases and Public Announcements. The Parties shall issue a joint press release promptly following the Closing, in form and substance reasonably satisfactory to the Buyer and the Seller. Other than the foregoing, no Party shall, or shall permit its Affiliates or Representatives to, issue any press release or make any public filing, announcement, or disclosure (whether written, oral, or electronic) relating to the Contemplated Transactions without the prior written approval of the Buyer and the Seller, except (i) as required by applicable Law or the rules or regulations of any United States or foreign securities exchange, in which case the Party required to make such release, filing, announcement, or disclosure shall provide the Buyer and the Seller with reasonably advance written notice of, and an opportunity to review, discuss, and comment on, such proposed release, filing, announcement, or disclosure and (ii) for communications disseminated by the Buyer to investors, prospective investors, and to the public generally announcing the closing of the Contemplated Transactions, with a brief description thereof but not indicating the consideration paid for the Business, all in accordance with the ordinary course of business of the Buyer in connection with the announcing of its completed investments of the type described herein.

(b) Third-Party Beneficiaries. Neither this Agreement nor any Ancillary Agreement shall confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns, provided that the Indemnified Parties shall constitute third-party beneficiaries solely for the purposes of Section 5(e) and Section 7 and any Person lending money to or extending credit to the Buyer shall constitute a third-party beneficiary of this Agreement and each Ancillary Agreement.

(c) Entire Agreement. This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements, representations, warranties, letters of intent, or term sheets by or among the Parties (as well as any Affiliate or Representative acting on behalf of any Party), written or oral, to the extent they relate in any way to the subject matter hereof or thereof.

(d) Successors and Assigns. This Agreement and each Ancillary Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign (by operation of law, merger (whether as surviving or disappearing entity), consolidation, dissolution, or otherwise) this Agreement, any Ancillary Agreement, or any of such Party's rights, interests, or obligations hereunder or thereunder without the prior written consent of the Buyer and the Seller, and any such assignment in violation of the foregoing shall be null and void. Notwithstanding the foregoing, following the Closing, without obtaining any such consent, the Buyer or any of its successors or assigns shall be permitted to assign this Agreement, any Ancillary Agreements, and any of their rights and interests hereunder and thereunder to (i) any Affiliate of such Person, (ii) any acquirer of such Person (whether by sale of equity interests, by sale of all or substantially all assets, or by merger, consolidation, or otherwise), and/or (iii) any debt financing sources of the Buyer or any of its successors or assigns (which, in the case of this clause (iii), shall be a collateral assignment until the exercise of remedies by such debt financing sources), provided that in each case within the foregoing clauses (i) through (iii), no such assignment shall relieve such Person of any of its obligations hereunder or thereunder.

(e) Counterparts. This Agreement and each Ancillary Agreement may be executed in two or more counterparts (including by means of facsimile, .pdf, or other electronic transmission), each of which shall be deemed an original and all of which together will constitute one and the same instrument.

(f) Notices. All notices, requests, demands, claims, and other communications made under this Agreement or any Ancillary Agreement shall not be effective unless in writing, and shall be deemed to be delivered and received (i) when delivered personally to the recipient, (ii) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), (iii) four (4) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, or (iv) when successfully delivered to the recipient by facsimile, electronic mail, or other electronic transmission, provided that such delivery is subsequently confirmed and that any such facsimile, electronic mail, or other electronic transmission successfully delivered later than 5:00 p.m. in the recipient's local time shall be deemed to be delivered on the following Business Day, in each case, using the applicable contact information for such recipient set forth below:

If to Seller:

Theravant Corporation
455 North Canyons Parkway, Suite B
Livermore, CA 94551
Attention: Bob Anderson
Email: banderson@theravantcorp.com

With a copy (which shall not constitute notice) sent contemporaneously to:

Law Office of Deven S. Kane, P.C.
820B Crescent Street No. 5
Wheaton, IL 60187
Attention: Deven S. Kane
Email: devenkane@dskanelaw.com

If to the Buyer:

STRATA Skin Sciences, Inc.
5 Walnut Grove Drive, Suite 140
Horsham, PA 19044
Attention: Bob Moccia, Chief Executive Officer
Email: bmoccia@strataskin.com

With a copy (which shall not constitute notice) sent contemporaneously to:

Stevens & Lee, P.C.
1500 Market Street, East Tower, 18th Floor
Philadelphia, PA 19102
Attention: Jon C. Hughes
Email: jon.hughes@stevenslee.com

Any Party may change its contact information for such notices, requests, demands, claims, and other communications by giving the other Parties notice in the manner set forth above.

(g) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC LAW OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

(h) SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL. EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF THE STATE OF DELAWARE, COUNTY OF NEW CASTLE, FOR THE PURPOSES OF ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT, OR THE CONTEMPLATED TRANSACTIONS, AND AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION MAY BE HEARD AND DETERMINED IN ANY SUCH COURT. EACH PARTY AGREES TO COMMENCE ANY SUCH ACTION IN ANY STATE OR FEDERAL COURT OF THE STATE OF DELAWARE, COUNTY OF NEW CASTLE. EACH PARTY WAIVES ANY DEFENSE OF IMPROPER VENUE OR INCONVENIENT FORUM TO THE MAINTENANCE OF ANY ACTION SO BROUGHT. ANY PARTY MAY MAKE SERVICE ON ANY OTHER PARTY BY SENDING OR DELIVERING A COPY OF THE PROCESS TO THE PARTY TO BE SERVED AT THE ADDRESS AND IN THE MANNER PROVIDED FOR THE DELIVERY OF NOTICES IN SECTION 9(f), PROVIDED THAT NOTHING IN THIS SECTION 9(h)

SHALL AFFECT THE RIGHT OF ANY PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AT EQUITY. EACH PARTY HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT, OR THE CONTEMPLATED TRANSACTIONS. EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, (B) UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) MAKES THIS WAIVER VOLUNTARILY, AND (D) ACKNOWLEDGES THAT EACH OTHER PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND EACH ANCILLARY AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS CONTAINED HEREIN.

(i) Amendments. No amendment of any provision of this Agreement shall be valid or effective unless in a writing executed by the Buyer and the Seller, and any such written executed amendment shall be binding and effective on all Parties. No consent under any provision of this Agreement or waiver of any provision of this Agreement or of any default under or breach of any representation, warranty, covenant, or agreement set forth herein, whether or not intentional, shall be valid or effective unless in a writing executed by the Buyer (if the Party seeking to enforce such consent or waiver is Seller) or the Seller (if the Party seeking to enforce such consent or waiver is the Buyer), nor shall any such waiver be deemed to extend to any prior, subsequent, or similar default or breach or affect in any way any rights arising by virtue of any such prior, subsequent, or similar default or breach. No failure by any Party to take any action with respect to any such default or breach shall constitute a waiver of such Party's rights to take any such action or to enforce any provision of this Agreement or any Ancillary Agreement.

(j) Severability. Any term or provision of this Agreement or any Ancillary Agreement that is invalid, illegal, or unenforceable shall be deemed to be limited or modified in its application to the minimum extent necessary to avoid such invalidity, illegality, or unenforceability. The invalidity, illegality, or unenforceability of any such term or provision in any situation in any jurisdiction shall not affect the validity, legality, or enforceability of the remaining terms and provisions of this Agreement and each Ancillary Agreement or the validity, legality, or enforceability of such term or provision in any other situation or in any other jurisdiction.

(k) Expenses. Except as otherwise provided in this Agreement or any Ancillary Agreement, each Party shall bear its own costs and expenses (including attorneys' fees) incurred in connection with this Agreement, the Ancillary Agreements, and the Contemplated Transactions.

(l) Incorporation of Exhibits, Schedules, and Annexes. The Exhibits, Schedules, and Annexes identified in this Agreement are incorporated herein by reference and made a part hereof.

(m) Specific Performance; Remedies Cumulative. Each Party agrees that the Seller's Business is unique and irreparable damages would occur, and money damages would be inadequate, if any provision of this Agreement or any Ancillary Agreement were not performed in accordance with the terms hereof or thereof and that, in the event of a breach or threatened breach of this Agreement or any Ancillary Agreement, the Parties shall be entitled to injunctive relief and

specific performance of the terms hereof and thereof, in addition to any other remedy to which they are entitled at law or in equity. Each Party irrevocably waives any requirement for the securing or posting of any bond, or for the proving of any actual or special damages, in connection with any injunctive relief or specific performance described within this Section 9(m). Each Party further agrees that the only permitted objection that it may raise in response to any Action for any injunctive relief or specific performance described within this Section 9(m) is that it contests the existence of a breach or threatened breach of this Agreement or such Ancillary Agreement. Except as otherwise provided herein or in any Ancillary Agreement, the remedies provided herein and therein shall be cumulative and shall not preclude the assertion by any Party of any other rights or the seeking of any other remedies against any other Party.

[*The remainder of this page intentionally left blank. Signature page follows.*]

IN WITNESS WHEREOF, the Parties have executed this Asset Purchase Agreement as of the date first above written.

BUYER:

STRATA SKIN SCIENCES, INC.

By: /s/ Robert J. Moccia
Name: Robert J. Moccia
Title: President & Chief Executive Officer

Solely for purposes of Section 5(h):

/s/ Ashish Bhatia
ASHISH BHATIA

/s/ Francesco Lucarelli
FRANCESCO LUCARELLI

/s/ Ashish Bhatia
ASHISH BHATIA

SELLER:

THERAVANT CORPORATION

By: /s/ Robert Anderson
Name: Robert Anderson
Title: President

The undersigned hereby agrees to serve as the Seller's Representative in connection with this Asset Purchase Agreement and hereby agrees to act and perform the Seller's Representative's obligations hereunder.

SELLER'S REPRESENTATIVE:

/s/ Ashish Bhatia
ASHISH BHATIA

Exhibit A

CERTAIN DEFINITIONS

"Acceptance Test" shall mean the demonstration of some or all of the following features that are determined by the development committee consisting of representatives of Buyer and Seller: (i) Wireless connectivity for in-office network link as well as remote monitoring and data capture capability along with over-the-air software upgrades; (ii) Adherence push notification to patients; (iii) Enhanced touchscreen interface; (iv) QR scanner for potential alignment with product utilization and/or co-promotional efforts; (v) Field replaceable handpiece & cord; and (vi) RFID optimization with UI simplification.

"Theraclear 2.0" shall mean the Theraclear Device with the additional features required for meeting the Acceptance Test.

Exhibit B

ASSUMED CONTRACTS

1. Potential Purchase Order from G Innings Medical, Ltd. for 10 Flash Lamp replacement kits and 5 handpiece shell replacements.

EXHIBIT C

INVENTORY

See attached.

EXHIBIT 99.1

STRATA Skin Sciences Announces Acquisition of Acne Treatment Device Assets from Theravant Corporation

- Substantially broadens STRATA's opportunity with expansion potential into the estimated $5.5 billion U.S. acne care market
- Leverages STRATA's innovative marketing platform, commercial team and worldwide distributor network to drive additional revenue growth
- Creates a robust pipeline of new opportunities to target dermatologic conditions beyond acne with a unique treatment approach
- Establishes STRATA's position as a global leader of clinical dermatology devices

Horsham, PA, January 10, 2022 —STRATA Skin Sciences, Inc. (NASDAQ: SSKN), a medical technology company dedicated to developing, commercializing and marketing innovative products for the treatment of dermatologic conditions, announced that it has acquired assets related to Theravant Corporation's TheraClear System, enabling STRATA to expand into the acne treatment market. Theravant develops and markets a novel, FDA-cleared system for the in-office treatment of many common forms of acne.

"As we sought to expand and capitalize on our opportunities for medical device treatment of dermatologic conditions, we identified Theravant's technology as an ideal fit to enter the fast-growing acne market. The acquisition of the TheraClear System provides STRATA with a safe and effective technology to complement and/or replace prescription drugs and topical creams," said Robert Moccia, President & CEO of STRATA Skin Sciences. "In the U.S. alone, there are an estimated 50 million patients with mild-to-moderate acne. Theravant's handheld device has the potential to address this market with a revolutionary approach that can be simply and successfully operated by doctors, nurses, aestheticians, and assistants. We look forward to leveraging our strong commercial team to accelerate the growth potential of this exciting technology with an expected launch under the STRATA brand by mid-year.

"This agreement with Theravant represents our second acquisition in the past six months under STRATA's new leadership team, following our acquisition of Ra Medical's U.S. dermatology business in August. Importantly, it reflects the continued commitment of our entire team to deliver value to our stockholders," concluded Moccia.

Research shows that 20-25% of all visits to dermatologists are for acne and are often treated with prescription drugs that can be costly, have significant side effects, or are difficult to obtain. The TheraClear Acne System delivers a two-part process for treating inflammatory acne, pustular acne and comedonal acne that combines a vacuum and broadband light that has been proven to clear skin rapidly for fast and visible reduction in acne and associated redness. The procedure delivers highly effective outcomes that result in return patient visits for follow up treatments.

"We are very pleased to have reached this exciting agreement and are confident that STRATA has the full commercial capability to further develop, commercialize, and market the TheraClear system," said Ashish Bhatia MD, FAAD, member of the Board of Directors at Theravant Corporation. "Moreover, we look forward to supporting the advancement of the technology into multiple other devices that can be used to treat a range of additional indications."

Under the terms of the transaction, STRATA will acquire substantially all of the assets owned or controlled by Theravant relating to its acne treatment for an upfront payment of approximately $1.0 million comprised of $500,000 in cash and $500,000 in common stock. Additionally, the agreement includes certain milestone-based payments.

About Theravant Corporation
Theravant's goal is to develop, produce, market and sell high quality, affordable devices for the medical and aesthetic marketplace. Driven by a highly skilled product development team with a long history of innovation in the medical-aesthetic marketplace, the company plans to develop a steady stream of new devices for both the physician office and the spa market.

The TheraClear™ Acne System, a revolutionary product for the treatment of acne, is the company's first product. It is now being used to treat acne patients in more than 20 countries.

About STRATA Skin Sciences, Inc.
STRATA Skin Sciences is a medical technology company in dermatology dedicated to developing, commercializing and marketing innovative products for the inoffice treatment of dermatologic conditions. Its products include the XTRAC® and Pharos® excimer lasers and VTRAC® lamp systems utilized in the treatment of psoriasis, vitiligo and various other skin conditions.

The Company's proprietary XTRAC and recently acquired Pharos excimer lasers deliver a highly targeted therapeutic beam of UVB light to treat psoriasis, vitiligo, eczema, atopic dermatitis and leukoderma, diseases which impact over 31 million patients in the United States alone. The technology is covered by multiple patents.

STRATA's unique business model in the U.S. leverages targeted Direct to Consumer (DTC) advertising to generate awareness and utilizes its in-house call center and insurance advocacy teams to increase volume for the Company's partner dermatology clinics.

Forward-Looking Statements
This press release includes "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995. These statements include but are not limited to the Company's plans, objectives, expectations and intentions and may contain words such as "will," "may," "seeks," and "expects," that suggest future events or trends. These statements, the Company's ability to launch and sell an acne treatment device and to integrate that device into its product offerings, the Company's ability to develop .launch and sell products to be developed in the future, the Company's ability to develop social media marketing campaigns, and the Company's ability to build a leading franchise in dermatology and aesthetics, are based on the Company's current expectations and are inherently subject to significant uncertainties and changes in circumstances. Actual results may differ materially from the Company's expectations due to financial, economic, business, competitive, market, regulatory, adverse market conditions or supply chain interruptions resulting from the coronavirus and political factors or conditions affecting the Company and the medical device industry in general, future responses to and effects of COVID-19 pandemic and its variants including the distribution and effectiveness of the COVID-19 vaccines, as well as more specific risks and uncertainties set forth in the Company's SEC reports on Forms 10-Q and 10-K. Given such uncertainties, any or all these forward-looking statements may prove to be incorrect or unreliable. The statements in this press release are made as of the date of this press release, even if subsequently made

available by the Company on its website or otherwise. The Company does not undertake any obligation to update or revise these statements to reflect events or circumstances occurring after the date of this press release. The Company urges investors to carefully review its SEC disclosures available at www.sec.gov and www.strataskinsciences.com.

Investor Contact
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