As filed with the Securities and Exchange Commission on May 28, 2021.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Aterian, Inc.

(Exact name of Registrant as specified in its charter)

Delaware	3634	83-1739858
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Aterian, Inc.
37 East 18th Street, 7th Floor
New York, NY 10003
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Yaniv Sarig
Chief Executive Officer
Aterian, Inc.
37 East 18th Street, 7th Floor
New York, NY 10003
(347) 676-1681
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Jeffrey T. Hartlin, Esq.
Samantha H. Eldredge, Esq.
Elizabeth A. Razzano, Esq.
Paul Hastings LLP
1117 S. California Avenue
Palo Alto, California 94304
(650) 320-1800

Joseph A. Risico, Esq.
Chief Legal Officer
Aterian, Inc.
37 East 18th Street, 7th Floor
New York, NY 10003
(347) 676-1681

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box: ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, $0.0001 par value per share	7,422,307	$16.25	$120,612,488.75	$13,158.82
Common Stock, $0.0001 par value per share, issuable upon exercise of warrants	5,363,230(3)	$16.25	$87,152,487.50	$9,508.34
Total	12,785,537	—	$207,764,976.25	$22,667.16

(1) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended, this Registration Statement shall also cover any additional shares of the Registrant's Common Stock that become issuable by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without receipt of consideration.

(2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended. The offering price per share and aggregate offering price are based upon the average of the high and low prices for the Registrant's Common Stock as reported on the Nasdaq Capital Market on May 24, 2021, a date within five business days prior to the filing of this Registration Statement.

(3) Represents 5,363,230 shares of common stock issuable upon exercise of warrants at a weighted-average exercise price of $20.61 per share, offered by the selling stockholders.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated May 28, 2021

Prospectus

Aterian, Inc.

12,785,537 Shares of Common Stock

This prospectus relates to the resale by the investors listed in the section of this prospectus entitled "Selling Stockholders" (the "Selling Stockholders") of up to 12,785,537 shares (the "Shares") of our common stock, par value $0.0001 per share ("Common Stock"). The Shares consist of: (i) 4,220,000 shares of Common Stock (the "December APA Shares") issued pursuant to that certain Asset Purchase Agreement, dated December 1, 2020 (the "December APA"), by and among us and Truweo, LLC, our wholly owned subsidiary ("Truweo"), as the purchaser, 9830 Macarthur LLC ("9830"), Reliance Equities Group, LLC and ZN Direct LLC, as sellers (the "December Sellers"), and Jelena Puzovic, as founder; (ii) 980,000 shares of Common Stock (the "December Warrant Shares") issued on February 9, 2021 upon the exercise of that certain Warrant to Purchase Common Stock issued to High Trail Investments SA LLC ("HT SA") on December 1, 2020, as amended (the "December Warrant"); (iii) 469,931 shares of Common Stock (the "February Warrant Shares") issuable upon exercise of that certain Warrant to Purchase Common Stock issued to High Trail Investments ON LLC ("HT ON") on February 2, 2021, as amended (the "February Warrant"); (iv) 1,387,759 shares of Common Stock (the "February APA Shares") issued pursuant to that certain Asset Purchase Agreement, dated February 2, 2021 (the "February APA"), by and among us and Truweo, as the purchaser, Healing Solutions, LLC ("Healing Solutions"), Jason R. Hope, and for the purposes of Section 5.11 and Article VII therein, Super Transcontinental Holdings LLC; (v) 1,884,133 shares of Common Stock (the "Penny Warrant Shares") issuable upon exercise of that certain Warrant to Purchase Common Stock issued to HT SA on February 9, 2021, as amended (the "Penny Warrant"); (vi) 750,000 shares of Common Stock (the "Additional Warrant Shares") issuable upon exercise of that certain Warrant to Purchase Common Stock issued to HT SA on February 9, 2021, as amended (the "Additional Warrant"); (vii) 130,000 shares of Common Stock issued to HT SA (the "Letter Agreement Shares") pursuant to that certain Letter Agreement, dated as of April 8, 2021, by and among us, HT SA and HT ON (the "April Letter Agreement"); (viii) 2,259,166 shares of Common Stock (the "April Warrant Shares") issuable upon exercise of those certain Warrants to Purchase Common Stock issued to HT SA and HT ON on April 8, 2021 (the "April Warrants" and, together with the February Warrant, the Penny Warrant and the Additional Warrant, the "Warrants"); and (ix) 704,548 shares of Common Stock (the "SPA Shares") issued pursuant to that certain Stock Purchase Agreement, dated as of May 5, 2021 (the "SPA"), by and among us and Truweo, as the purchaser, Photo Paper Direct Ltd, Josef Eitan (the "PPD Owner") and Ran Nir (the "PPD Beneficial Owner" and, together with the PPD Owner, the "PPD Sellers").

We are registering the resale of the December APA Shares as required by the December APA. We are registering the resale of the December Warrant Shares, the Penny Warrant Shares and the Letter Agreement Shares as required by that certain Letter Agreement, dated as of February 8, 2021, by and between us and HT SA, as amended by the April Letter Agreement (the "Letter Agreement"). We are registering the resale of the February APA Shares pursuant to the February APA. We are registering the resale of the April Warrant Shares pursuant to that certain Securities Purchase and Exchange Agreement, dated as of April 8, 2021, by and among us, HT SA and HT ON (the "Securities Purchase Agreement"). We are registering the resale of the SPA Shares pursuant to the SPA. We are registering the February Warrant Shares and the Additional Warrant Shares because the terms of the February Warrant and the Additional Warrant each provide that such Warrant can be exercised on a cashless basis if there is not an effective registration statement covering the resale of the shares issuable upon exercise of such Warrant.

Our registration of the Shares covered by this prospectus does not mean that the Selling Stockholders will offer or sell any of the Shares. The Selling Stockholders may sell the Shares covered by this prospectus in a number of different ways and at varying prices. For additional information on the possible methods of sale that may be used by the Selling Stockholders, you should refer to the section of this prospectus entitled "Plan of Distribution" beginning on page 14 of this prospectus. We will not receive any of the proceeds from the Shares sold by the Selling Stockholders, other than any proceeds from any cash exercise of the February Warrant, the Additional Warrant or the April Warrants.

No underwriter or other person has been engaged to facilitate the sale of the Shares in this offering. The Selling Stockholders may, individually but not severally, be deemed to be an "underwriter" within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), of the Shares that they are offering pursuant to this prospectus. We will bear all costs, expenses and fees in connection with the registration of the Shares. The Selling Stockholders will bear all commissions and discounts, if any, attributable to their respective sales of the Shares.

Our common stock is listed on the Nasdaq Capital Market under the symbol "ATER". On May 24, 2021, the last reported sales price per share of our common stock was $16.40. Our Common Stock has recently experienced price volatility. For example, from January 4, 2021 to May 24, 2021, sales of our Common Stock were effected at prices as low as $11.81 and as high as $48.99. The high sales price of $48.99 occurred on February 17, 2021, on which day the last reported sales price for our Common Stock was $47.66. We have not experienced any material changes in our financial condition or results of operations that explain such price volatility. The trading price of our Common Stock has been, and may continue to be, subject to wide price fluctuations in response to various factors, many of which are beyond our control, including those described under the heading "Risk Factors" beginning on page 7 of this prospectus.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") and, as such, we have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings with the Securities and Exchange Commission (the "SEC").

We may amend or supplement this prospectus from time to time by filing amendments or supplements as required. You should read this prospectus, together with additional information described under the headings "Incorporation of Certain Information by Reference" and "Where You Can Find More Information", and any amendments or supplements carefully before you invest in any of our securities.

Investing in our common stock involves substantial risk. You should review carefully the risks and uncertainties described under the heading "Risk Factors" beginning on page 7 of this prospectus.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2021.

Table of Contents

ABOUT THIS PROSPECTUS

You should rely only on the information we have provided in this prospectus, any applicable prospectus supplement and any related free writing prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus. You must not rely on any unauthorized information or representation. This prospectus is an offer to sell only the Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information in this prospectus, any applicable prospectus supplement or any related free writing prospectus is accurate only as of the date on the front of the document, regardless of the time of delivery of this prospectus or any sale of a security.

The Selling Stockholders are offering the Shares only in jurisdictions where such issuances are permitted. The distribution of this prospectus and the issuance of the Shares in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the issuance of the Shares and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, the Shares offered by this prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

This prospectus is part of a registration statement that we filed with the SEC, under which the Selling Stockholders may offer from time to time up to an aggregate of 12,785,537 shares of our Common Stock in one or more offerings. If required, each time a Selling Stockholder offers shares of our Common Stock, in addition to this prospectus, we will provide you with a prospectus supplement that will contain specific information about the terms of that offering. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to that offering. We may also use a prospectus supplement and any related free writing prospectus to add, update or change any of the information contained in this prospectus. This prospectus, together with any applicable prospectus supplements and any related free writing prospectuses, includes all material information relating to this offering. To the extent that any statement that we make in a prospectus supplement is inconsistent with statements made in this prospectus, the statements made in this prospectus will be deemed modified or superseded by those made in a prospectus supplement. Please carefully read both this prospectus and any prospectus supplement.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which statements involve substantial risks and uncertainties. These forward-looking statements are intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this prospectus and the documents incorporated by reference in this prospectus include, but are not limited to, statements about:

- the potential impact of the COVID-19 global pandemic on our business, revenue and financial condition, including our supply chain and our operations;
- our expectation that consumer spending will continue to shift online and that such shift will continue even after the COVID-19 global pandemic ends;
- our future financial performance, including our revenue, costs of goods sold and operating expenses;
- our ability to achieve, sustain and grow profitability;
- the sufficiency of our cash to meet our liquidity and operational needs and to execute our growth strategies, including potential acquisitions;
- our ability to maintain the security and availability of our technology platform, including our AIMEE (**A**rtificial **I**ntelligence **M**arketplace **e**-Commerce **E**ngine) software platform;
- our ability to successfully launch new products, including our ability to successfully manage supply chain risks;
- our ability to identify, complete and integrate merger and acquisition transactions;
- our ability to successfully execute and grow net revenue and profitability from sales of personal protective equipment;
- our predictions about industry and market trends;
- our ability to successfully expand internationally;
- our ability to effectively manage our growth and future expenses;
- our estimated total addressable market, including for potential acquisitions;
- our ability to maintain, protect and enhance our intellectual property, including our AIMEE software platform;
- our ability to comply with modified or new laws and regulations applying to our business;
- our ability to attract and retain key personnel;
- our ability to successfully defend litigation brought against us or to pursue litigation; and
- the increased expenses and obligations associated with being a public company.

We caution you that the foregoing list may not contain all the forward-looking statements made in this prospectus or in the documents incorporated by reference in this prospectus.

We have based the forward-looking statements contained in this prospectus and in the documents incorporated by reference in this prospectus primarily on our current expectations and projections about future events and trends

that we believe may affect our business, financial condition, results of operations and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors that could cause actual results and experience to differ from those projected, including, but not limited to, the risk factors set forth in Part I – Item 1A, "Risk Factors", in our Annual Report on Form 10-K for the year ended December 31, 2020, as filed with the SEC on March 16, 2021, and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, as filed with the SEC on May 11, 2021, as updated by our subsequent annual, quarterly and other reports and documents that are incorporated by reference into this prospectus, and elsewhere in the documents incorporated by reference into this prospectus. Moreover, we operate in a highly competitive and challenging environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus and in the documents incorporated by reference in this prospectus. We cannot assure you that the results, events and circumstances reflected, or that the plans, intentions or expectations disclosed, in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those expressed or implied by the forward-looking statements.

The forward-looking statements made in this prospectus and in the documents incorporated by reference in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, other strategic transactions or investments we may make or enter into.

INDUSTRY AND MARKET DATA

This prospectus and the information incorporated by reference herein contains statistical data, estimates and forecasts that are based on various sources, including independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk Factors,” that could cause results to differ materially from those expressed in these publications and reports.

Certain information in this prospectus and the information incorporated by reference herein is derived from independent industry publications and publicly available reports. We believe the data contained in these reports to be reliable as of the date of this prospectus, but there can be no assurance as to the accuracy or completeness of such information. We have not independently verified the market and industry data obtained from these third-party sources. Our internal data and estimates are based upon information obtained from trade and business organizations, other contacts in the markets in which we operate and our management’s understanding of industry conditions. Though we believe this information to be true and accurate, such information has not been verified by any independent sources.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

We own the trademarks, service marks and trade names that we use in connection with the operation of our business, including our corporate names, logos and website names. This prospectus and the information incorporated by reference herein may also contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, the trademarks, service marks, trade names and copyrights referred to in this prospectus are listed without the TM, SM, © and ® symbols, but we will assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors, if any, to these trademarks, service marks, trade names and copyrights.

PROSPECTUS SUMMARY

This summary highlights selected information that is presented in greater detail elsewhere in this prospectus or incorporated by reference in this prospectus. Because it is only a summary, it does not contain all of the information you should consider before investing in our Common Stock and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information included elsewhere in this prospectus. Before you decide whether to purchase shares of our Common Stock, you should read this entire prospectus carefully, including the sections of this prospectus entitled "Risk Factors" and similar headings in the other documents that are incorporated by reference in this prospectus. You should also carefully read the information incorporated by reference into this prospectus, including our financial statements, and the exhibits to the registration statement of which this prospectus is a part. Unless the context otherwise requires, the terms "Aterian," the "Company," "we," "us" and "our" in this prospectus refer to Aterian, Inc. and our consolidated subsidiaries, including Aterian Group, Inc., and "this offering" refers to the offering contemplated in this prospectus.

Our Company

We are a technology-enabled consumer products platform that builds, acquires and partners with e-commerce brands. We were founded on the premise that if a company selling consumer packaged goods was founded today, it would apply AI and machine learning, the synthesis of massive quantities of data and the use of social proof to validate high caliber product offerings as opposed to over-reliance on brand value and other traditional marketing tactics. Today, we predominantly operate through online retail channels such as Amazon.com and Walmart, Inc.

We have launched and sold hundreds of SKUs on e-commerce platforms. Through the success of a number of those products we have incubated our own brands. We also have purchased brands and products when we believe it is more advantageous. Today, we own and operate fourteen brands which sell products in multiple categories, including home and kitchen appliances, kitchenware, heating, cooling and air quality appliances (dehumidifiers, humidifiers and air conditioners), health and beauty products and essential oils. Our fourteen brands include, hOmeLabs; Vremi, Xtava; RIF6; Aussie Health; Holonix; Truweo; Mueller; Pursteam; Pohl and Schmitt; Spiralizer; Healing Solutions; Squatty Potty; and Photo Paper Direct.

We believe we are reinventing how to rapidly and successfully identify new product and market opportunities, and to launch, autonomously market and sell products in the rapidly growing global e-commerce market by leveraging our proprietary software technology platform, known as AIMEE. AIMEE combines large quantities of data, AI, machine learning and other automation algorithms, at scale, to allow rapid opportunity identification and automated online sales and marketing of consumer products.

AIMEE sources data from various e-commerce platforms, the internet and publicly available data, allowing us to estimate and determine trends, performance and consumer sentiment on products and searches within e-commerce platforms. This functionality allows us to help determine which products to market, manufacture through contract manufacturers, import and sell on e-commerce marketplaces. AIMEE is also connected, through application program interfaces, to multiple e-commerce platforms. This allows us to automate the purchase of marketing, automate various parts of our fulfillment and logistics operations and to automate pricing changes on product listings. We generate revenue primarily through the online sales of our various digital native consumer products and substantially all of our sales are made through the Amazon U.S. marketplace.

For a complete description of our business, financial condition, results of operations and other important information, we refer you to our filings with the SEC that are incorporated by reference in this prospectus, including our Annual Report on Form 10-K for the year ended December 31, 2020. For instructions on how to find copies of these documents, see the section of this prospectus entitled "Where You Can Find More Information."

See the section entitled “Risk Factors” in this prospectus for a discussion of some of the risks related to the execution of our business strategy.

Emerging Growth Company Status

We qualify as an “emerging growth company,” as that term is defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). For as long as we continue to be an emerging growth company, we intend to take advantage of exemptions from various reporting requirements applicable to other public companies but not to “emerging growth companies,” including:

- not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, as amended;
- permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies;
- reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved

Under the JOBS Act, we will remain an emerging growth company until the earliest of:

- the last day of the fiscal year during which we have total annual gross revenues of $1.07 billion or more;
- the last day of the fiscal year following the fifth anniversary of the completion of our initial public offering, or December 31, 2024;
- the date on which we have issued, during the previous three-year period, more than $1.0 billion in non-convertible debt securities; and
- the date on which we are deemed to be a “large accelerated filer” under the Exchange Act (i.e., the first day of the fiscal year after we have (1) more than $700.0 million in outstanding common equity held by our non-affiliates, measured each year on the last day of our second fiscal quarter, (2) been public for at least 12 months, and (3) are not eligible to be deemed a “smaller reporting company” because we do not meet the revenue test of the definition of “smaller reporting company”, which includes an initial determination that our annual revenues are more than $100.0 million for the most recently completed fiscal year).

We have elected to take advantage of certain of the reduced disclosure obligations regarding executive compensation in this prospectus and may elect to take advantage of other reduced reporting requirements in future filings with the SEC. As a result, the information that we provide to our stockholders may be different than the information you receive from other public reporting companies.

Corporate Information

Our principal executive offices are located at 37 East 18th Street, 7th Floor, New York, NY 10003, and our telephone number is (347) 676-1681. Our website address is www.aterian.io. Any information contained on, or that can be accessed through, our website is not incorporated by reference into, nor is it in any way part of this prospectus and should not be relied upon in connection with making any decision with respect to an investment in our securities. We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You may obtain any of the documents filed by us with the SEC at no cost from the SEC’s website at *http://www.sec.gov*.

RISK FACTORS

Investing in our Common Stock involves a high degree of risk. Before making an investment decision, you should carefully consider the risks described below, under "Risk Factors" in our most recent Annual Report on Form 10-K, as amended, or in any updates in our Quarterly Reports on Form 10-Q, together with all of the other information appearing in or incorporated by reference into this prospectus, before deciding whether to purchase any of the Common Stock being offered in this prospectus. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered securities.

Our share price may be volatile. Market volatility may affect the value of an investment in our common stock and could subject us to litigation.

Technology stocks have historically experienced high levels of volatility. There has been and could continue to be significant volatility in the market price and trading volume of equity securities. For example, our closing stock price ranged from $12.44 to $47.66 per share from January 4, 2021 to May 24, 2021.The market price of our common stock could be subject to wide fluctuations in response to many risk factors listed in this section, and others beyond our control, including:

- actual or perceived impact on our business due to the COVID-19 pandemic;
- actual or anticipated fluctuations in our financial condition and operating results;
- the financial projections we may provide to the public, and any changes in projected operational and financial results;
- addition or loss of significant customers;
- changes in laws or regulations applicable to our products;
- actual or anticipated changes in our growth rate relative to our competitors;
- announcements of technological innovations or new offerings by us or our competitors;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital-raising activities or commitments;
- additions or departures of key personnel;
- changes in our financial guidance or securities analysts' estimates of our financial performance;
- discussion of us or our stock price by the financial press and in online investor communities;
- reaction to our press releases and filings with the SEC;
- changes in accounting principles;
- lawsuits threatened or filed against us;
- fluctuations in operating performance and the valuation of companies perceived by investors to be comparable to us;
- sales of our common stock by us or our stockholders;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- changes in laws or regulations applicable to our business;
- changes in our capital structure, such as future issuances of debt or equity securities;

- short sales, hedging and other derivative transactions involving our capital stock;
- the expiration of contractual lock-up periods, including in connection with acquisition transactions;
- sales of common stock by our executives;
- other events or factors, including those resulting from pandemics, war, incidents of terrorism or responses to these events; and
- general economic and market conditions.

Furthermore, in recent years, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies, and technology companies in particular. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may negatively impact the market price of our common stock. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could also harm our business.

In addition, we recently experienced volatility in the market price of our common stock in connection with a report issued on May 4, 2021 by Culper Research, a self-proclaimed short seller. While we believe the report by Culper Research contains numerous false and misleading statements about our Company, and that it contains mischaracterizations and factual inaccuracies regarding our Company, our stock price has and may continue to experience volatility due to this report or similar reports issued in an attempt to negatively impact and manipulate our stock price for the benefit of short sellers or others.

A "short squeeze" due to a sudden increase in demand for shares of our common stock that largely exceeds supply could lead to extreme price volatility in shares of our common stock.

Investors may purchase shares of our common stock to hedge existing exposure or to speculate on the price of our common stock. Speculation on the price of our common stock may involve long and short exposures. To the extent aggregate short exposure exceeds the number of shares of our common stock available for purchase on the open market, investors with short exposure may have to pay a premium to repurchase shares of our common stock for delivery to lenders of our common stock. Those repurchases may in turn, dramatically increase the price of our common stock until additional shares of our common stock are available for trading or borrowing. This is often referred to as a "short squeeze." A proportion of our common stock has been and may continue to be traded by short sellers which may increase the likelihood that our common stock will be the target of a short squeeze. A short squeeze could lead to volatile price movements in shares of our common stock that are unrelated or disproportionate to our operating performance or prospects and, once investors purchase the shares of our common stock necessary to cover their short positions, the price of our common stock may rapidly decline. Investors that purchase shares of our common stock during a short squeeze may lose a significant portion or all of their investment.

USE OF PROCEEDS

We will receive no proceeds from the sale of the Shares by the Selling Stockholders. We may, however, receive cash proceeds equal to the total exercise price of the February Warrant, the Additional Warrant or the April Warrants to the extent that any of such Warrants are exercised for cash. The exercise price of the February Warrant is $25.10. The exercise price of the Additional Warrant is $33.56 per share. The exercise price of the April Warrants is $31.74. The exercise price of the Penny Warrant is $0.01 and it is only exercisable on a cashless basis, and we therefore will not receive any proceeds from any exercise of the Penny Warrant. The exercise price and the number of shares of Common Stock issuable upon exercise of the Warrants may be adjusted in certain circumstances, including stock splits, dividends or distributions, or other similar transactions. However, the February Warrant, the Additional Warrant and the April Warrants contain a "cashless exercise" feature that allow the holders to exercise any of such Warrants without making a cash payment to us if there is not an effective registration statement covering the resale of the shares issuable upon exercise of such Warrants. There can be no assurance that any of the Warrants will be exercised by the Selling Stockholders at all. To the extent we receive proceeds from the cash exercise of the February Warrant, the Additional Warrant or any of the April Warrants, we intend to use such proceeds to provide capital support or for general corporate purposes, which may include, without limitation, working capital, operating expenses, capital expenditures, supporting asset growth and acquiring, investing in or licensing complementary products, technologies or businesses. We do not have any specific plans for acquisitions or other business combinations at this time. Our management will retain broad discretion in the allocation of the net proceeds from any exercise of the February Warrant, the Additional Warrant or the April Warrants for cash.

The Selling Stockholders will pay any underwriting discounts, selling commissions or transfer taxes incurred in disposing of the Shares and the expenses of any attorney or other advisor they decide to employ. We will bear all other costs, fees and expenses incurred in effecting the registration of the Shares covered by this prospectus. These may include, without limitation, all registration, filing, stock exchange fees, printing expenses, all fees and expenses of complying with applicable securities laws and the fees and disbursements of our counsel and of our independent accountants and reasonable fees.

SELLING STOCKHOLDERS

Unless the context otherwise requires, as used in this prospectus, "Selling Stockholders" includes the selling stockholders listed below and donees, pledgees, transferees or other successors-in-interest selling shares received after the date of this prospectus from a selling stockholder as a gift, pledge or other non-sale related transfer.

We have prepared this prospectus to allow the Selling Stockholders or their successors, assignees or other permitted transferees to sell or otherwise dispose of, from time to time, up to 12,785,537 shares of our Common Stock. The 12,785,537 shares of Common Stock to be offered hereby consist of: (i) 7,422,307 shares of Common Stock previously issued to certain of the Selling Stockholders, and (ii) up to 5,363,230 shares of Common Stock issuable upon the exercise of the Warrants.

Pursuant to the terms of the December APA, we issued an aggregate of 4,220,000 shares of Common Stock to 9380 and Northbound Train Enterprises, LLC (pursuant to the instruction of 9830 in satisfaction of certain broker fees payable to Northbound Train Enterprises, LLC). Pursuant to the terms of the February APA, we issued an aggregate of 1,387,759 shares of Common Stock to Healing Solutions, LLC. Pursuant to the terms of the December Warrant, we issued 980,000 shares of Common Stock to HT SA on February 9, 2021 pursuant to HT SA's exercise thereof. Pursuant to the terms of the April Letter Agreement, we issued 130,000 shares of Common Stock to HT SA on April 8, 2021. Pursuant to the terms of the SPA, we issued an aggregate of 704,548 shares of Common Stock to the PPD Sellers.

The February Warrant will become exercisable on August 2, 2021, has a term of five years from the date of issuance and has an exercise price of $25.10 per share of Common Stock, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions. The Penny Warrant was exercisable upon issuance, has a term of five years from the date of issuance, has an exercise price of $0.01 per share of Common Stock, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions, and is exercisable on a cashless basis. The Additional Warrant was exercisable upon issuance, has a term of five years from the date of issuance and has an exercise price of $33.56 per share of Common Stock, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions. The April Warrants were exercisable upon issuance, have a term of five years from the date of issuance and have an exercise price of $31.74 per share of Common Stock, subject to adjustment for stock splits, reverse stock splits, stock dividends and similar transactions. Under the terms of the Warrants, a Selling Stockholder may not exercise the Warrants to the extent such exercise would cause such Selling Stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding common stock following such exercise, excluding for purposes of such determination Common Stock issuable upon exercise of the Warrants which have not been exercised.

The Shares were issued or will be issuable to the Selling Stockholders in reliance on the exemption from securities registration in Section 4(a)(2) under the Securities Act and Rule 506 promulgated thereunder or Regulation S, to the extent applicable.

The shares of Common Stock to be offered by the Selling Stockholders are "restricted" securities under applicable federal and state securities laws and are being registered under the Securities Act to give the Selling Stockholders the opportunity to sell these shares publicly. The registration of these shares does not require that any of the shares be offered or sold by the Selling Stockholders. Subject to these resale restrictions, the Selling Stockholders may from time to time offer and sell all or a portion of their shares indicated below in privately negotiated transactions or on the Nasdaq Capital Market or any other market on which our common stock may subsequently be listed.

The registered shares may be sold directly or through brokers or dealers, or in a distribution by one or more underwriters on a firm commitment or best effort basis. To the extent required, the names of any agent or broker-dealer and applicable commissions or discounts and any other required information with respect to any particular

offering will be set forth in a prospectus supplement. See the section of this prospectus entitled “Plan of Distribution”. The Selling Stockholders and any agents or broker-dealers that participate with the Selling Stockholders in the distribution of registered shares may be deemed to be “underwriters” within the meaning of the Securities Act, and any commissions received by them and any profit on the resale of the registered shares may be deemed to be underwriting commissions or discounts under the Securities Act.

No estimate can be given as to the amount or percentage of Common Stock that will be held by the Selling Stockholders after any sales made pursuant to this prospectus because the Selling Stockholders are not required to sell any of the Shares being registered under this prospectus. The following table assumes that the Selling Stockholders will sell all of the Shares listed in this prospectus.

Unless otherwise indicated in the footnotes below, no Selling Stockholder has had any material relationship with us or any of our affiliates within the past three years other than as a security holder.

We have prepared this table based on written representations and information furnished to us by or on behalf of the Selling Stockholders. Since the date on which the Selling Stockholders provided this information, the Selling Stockholders may have sold, transferred or otherwise disposed of all or a portion of the shares of common stock in a transaction exempt from the registration requirements of the Securities Act. Unless otherwise indicated in the footnotes below, we believe that: (1) none of the Selling Stockholders are broker-dealers or affiliates of broker-dealers, (2) no Selling Stockholder has direct or indirect agreements or understandings with any person to distribute their Shares, and (3) the Selling Stockholders have sole voting and investment power with respect to all Shares beneficially owned, subject to applicable community property laws. To the extent any Selling Stockholder identified below is, or is affiliated with, a broker-dealer, it could be deemed, individually but not severally, to be an “underwriter” within the meaning of the Securities Act. Information about the Selling Stockholders may change over time. Any changed information will be set forth in supplements to this prospectus, if required.

The following table sets forth information with respect to the beneficial ownership of our common stock held, as of May 20, 2021, by the Selling Stockholders and the number of Shares being registered hereby and information with respect to shares to be beneficially owned by the Selling Stockholders after completion of the offering of the shares for resale. We have determined beneficial ownership in accordance with the rules of the SEC. The inclusion of any shares in this table does not constitute an admission of beneficial ownership by the persons named below The percentages in the following table reflect the shares beneficially owned by the Selling Stockholders as a percentage of the total number of shares of common stock outstanding as of May 20, 2021. As of such date, 31,433,886 shares of common stock were outstanding.

	Shares Beneficially Owned Before this Offering (1)		Maximum Number of Shares of Common Stock to be Offered Pursuant to this Prospectus	Shares Beneficially Owned After this Offering (1)(2)	
	Number	%	Number	Number	%
Beneficial Owner Name					
9830 Macarthur LLC (3)	4,974,807	15.8%	4,056,000	918,807	2.9%
Healing Solutions, LLC (4)	1,387,759	4.4%	1,387,759	—	—
High Trail Investments ON LLC (5)	696,286(6)	2.2%	1,166,217(7)	—	—
High Trail Investments SA LLC (8)	5,307,013(9)	14.9%	5,307,013(9)	—	—
Northbound Train Enterprises, LLC (10)	164,000	*	164,000	—	—
Josef Eitan (11)	528,411	1.7%	528,411	—	—
Ran Nir (12)	176,137	*	176,137	—	—
TOTAL	13,234,413	36.4%	12,785,537	918,807	2.9%

* Denotes less than 1%

(1) Beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to the Warrants, options and other convertible securities held by that person that are currently exercisable or exercisable within 60 days (of May 20, 2021) are deemed outstanding. Shares subject to warrants, options and other convertible securities, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

(2) We do not know when or in what amounts a Selling Stockholder may offer shares for sale. The Selling Stockholders may choose not to sell any or all of the shares offered by this prospectus. Certain Selling Stockholders are subject to lock-up agreements which limits the ability of such Selling Stockholders to sell or otherwise transfer the shares of common stock beneficially owned. Because the Selling Stockholders may offer all or some of the Shares pursuant to this offering, we cannot estimate the number of the Shares that will be held by the Selling Stockholders after completion of the offering. However, for purposes of this table, we have assumed that, after completion of the offering, all of the Shares covered by this prospectus will be sold by the Selling Stockholders and that the Selling Stockholders do not acquire beneficial ownership of any additional shares.

(3) Jelena Puzovic, Trustee of the Nijor Children's Irrevocable Trust UA, dated January 2, 2017 is the control person of 9830 and has dispositive power over the shares held by 9830. On December 1, 2020, 9830 entered into the December APA with us, pursuant to which, we purchased and acquired certain of the December Sellers' assets related to the December Sellers' ecommerce business (the "December Asset Purchase"). As consideration for the December Asset Purchase, 9830 (for the benefit of the December Sellers) received $25.0 million in cash, 4,056,000 of the December APA Shares and a non-negotiable promissory note in favor of 9830 in the amount of $15,799,449. In addition, we may be obligated to make certain earn out payments to 9830 under the December APA. Until December 31, 2022, we may elect to purchase from any of the December Sellers or Jelena Puzovic, or their respective affiliates, certain additional products. We also entered into a Lock-Up, Voting and Standstill Agreement with 9830 (the "December Lock-Up"), which (i) prevents certain sales or transfers of the December APA Shares owned by 9830 until June 1, 2021 and (ii) provides that until December 1, 2025, 9830 will, among other things, vote at each annual or special meeting of our stockholders all shares of Common Stock held by 9830 in accordance with the recommendations of our Board of Directors (the "Board") on each matter presented to our stockholders at such meeting.

(4) Jason R. Hope is the control person of Healing Solutions and has dispositive power over the shares held by Healing Solutions. On February 2, 2021, Healing Solutions entered into the February APA with us, pursuant to which, we purchased and acquired certain of Healing Solutions' assets related to Healing Solutions' retail and ecommerce business (the "February Asset Purchase"). As consideration for the February Asset Purchase, Healing Solutions received $15,280,173 in cash and the February APA Shares. In addition, we may be obligated under the February APA to issue additional shares (up to a maximum of 280,000 shares) to Healing Solutions as consideration for certain inventory acquired by us and to make certain earn out payments to Healing Solutions. In connection with the February APA, Healing Solutions agreed that, so long as Healing Solutions held any of the February APA Shares, it would not (i) sell, transfer or otherwise dispose of such shares if such sale or disposition would exceed 10% of the average daily trading volume of the Common Stock, or (ii) pledge, loan, margin or otherwise use as collateral an amount of the February APA Shares having an aggregate value in excess of 30% of the then-current value of such shares based on the immediately prior trading day's closing price. We also entered into a Lock-Up, Voting and Standstill Agreement with Healing Solutions (the "February Lock-Up"), which (i) prevents certain sales or transfers of the February APA Shares owned by Healing Solutions until August 2, 2021 and (ii) provides that until August 2, 2021, Healing Solutions will, among other things, vote at each annual or special meeting of our stockholders all shares of Common Stock held by Healing Solutions in accordance with the recommendations of the Board on each matter presented to our stockholders at such meeting. In connection with the February APA, (a) Aterian Opco entered into a manufacturing supply agreement with Healing Solutions, pursuant to which Aterian Opco will purchase certain finished goods Healing Solutions, and (b) Truweo entered into a Transition Services Agreement with

Healing Solutions, pursuant which Healing Solutions will provide certain transition services to Truweo for fees that will not exceed $623,729 per month.

(5) Hudson Bay Capital Management LP, the investment manager of HT SA, has voting and investment power over these securities. Sander Gerber is the managing member of Hudson Bay Capital GP LLC, which is the general partner of Hudson Bay Capital Management LP. Each of HT SA and Sander Gerber disclaims beneficial ownership over these securities. On February 2, 2021, we entered into a securities purchase agreement with HT ON (the "February SPA"), pursuant to which we issued and sold to HT ON in a private placement transaction a senior secured promissory note in an aggregate principal amount of $16,500,000, as amended (the "February Note"), and the February Warrant. On April 8, 2021, we entered into the April Letter Agreement with HT SA and HT ON, pursuant to which, among other things, HT ON agreed to waive any default or event of default (as such terms are defined in the February Note) caused by our failure to file a resale registration statement by March 26, 2021. On April 8, 2021, we entered into the Securities Purchase Agreement with HT SA and HT ON, pursuant to which, we issued and sold in a private placement transaction senior secured promissory notes in an aggregate principal amount of $110,000,000 (the "Notes") and the April Warrants.

(6) Consists of 696,286 shares of Common Stock issuable upon exercise of the April Warrants, without giving effect to the blocker provision described above.

(7) Consists of (i) 469,931 shares of Common Stock issuable upon exercise of the February Warrant, without giving effect to the blocker provision described above, which will become exercisable on August 2, 2021, and (ii) 696,286 shares of Common Stock issuable upon exercise of the April Warrants, without giving effect to the blocker provision described above, which are currently exercisable.

(8) Hudson Bay Capital Management LP, the investment manager of HT ON, has voting and investment power over these securities. Sander Gerber is the managing member of Hudson Bay Capital GP LLC, which is the general partner of Hudson Bay Capital Management LP. Each of HT ON and Sander Gerber disclaims beneficial ownership over these securities. On December 1, 2021, we entered into a securities purchase agreement with HT SA (the "December SPA"), pursuant to which we issued and sold to HT SA in a private placement transaction a senior secured promissory note in an aggregate principal amount of $43,000,000, as amended (the "December Note"), and the December Warrant. On February 8, 2021, we entered into the Letter Agreement with HT SA, pursuant to which we amended the December Warrant, HT SA exercised the December Warrant on February 9, 2021, we issued the Penny Warrant and the Additional Warrant on February 9, 2021, we agreed to prepare and file a registration statement for the purpose of registering for resale the December Warrant Shares and the Penny Warrant Shares and we agreed to seek stockholder approval to issue shares of Common Stock in excess of the limitations imposed by Nasdaq Listing Standard Rule 5635(a) and/or 5635(d) pursuant to the Penny Warrant, the Additional Warrant, the December Note, the February Note, the February Warrant and the February APA (such stockholder approval was obtained on April 1, 2021). On April 8, 2021, we entered into the April Letter Agreement with HT SA and HT ON, pursuant to which, among other things, we amended the Letter Agreement to provide that we will also register for resale the Letter Agreement Shares and HT SA agreed to waive any default or event of default (as such terms are defined in the December Note) caused by our failure to file a resale registration statement by March 26, 2021. On April 8, 2021, we entered into the Securities Purchase Agreement with HT SA and HT ON, pursuant to which we issued and sold in a private placement transaction the Notes and the April Warrants.

(9) Consists of (i) 1,110,000 shares of Common Stock held directly, (ii) 1,884,133 shares of Common Stock issuable upon exercise of the Penny Warrant, without giving effect to the blocker provision described above, (iii) 1,562,880 shares of Common Stock issuable upon exercise of the April Warrants, without giving effect to the blocker provision described above, and (iv) 750,000 shares of Common Stock issuable upon exercise of the Additional Warrant, without giving effect to the blocker provision described above.

(10) Scott A. Deetz is the control person of Northbound Train Enterprises, LLC and has dispositive power over the shares held by Northbound Train Enterprises, LLC.

(11) On May 5, 2021, the PPD Owner entered into the SPA with us, pursuant to which, we purchased and acquired 100% of the outstanding share capital of Photo Paper Direct Ltd (the "PPD Purchase"). As consideration for the PPD Purchase, the PPD Sellers received an aggregate of £9,865,745.35 in cash and the

SPA Shares (of which 528,411 were issued to the PPD Owner). In addition, we may be obligated to make certain earn out payments to the PPD Sellers under the SPA. We also entered into a Shareholder Agreement with the PPD Owner, which provides that until May 5, 2026, the PPD Owner will, among other things, vote at each annual or special meeting of our stockholders all shares of Common Stock held by the PPD Owner in accordance with the recommendations of our Board on each matter presented to our stockholders at such meeting.

(12) On May 5, 2021, the PPD Beneficial Owner entered into the SPA with us, pursuant to which, we completed the PPD Purchase. As consideration for the PPD Purchase, the PPD Sellers received an aggregate of £9,865,745.35 in cash and the SPA Shares (of which 176,137 were issued to the PPD Beneficial Owner). In addition, we may be obligated to make certain earn out payments to the PPD Sellers under the SPA. We also entered into a Shareholder Agreement with the PPD Beneficial Owner, which provides that until May 5, 2026, the PPD Beneficial Owner will, among other things, vote at each annual or special meeting of our stockholders all shares of Common Stock held by the PPD Beneficial Owner in accordance with the recommendations of our Board on each matter presented to our stockholders at such meeting.

PLAN OF DISTRIBUTION

We are registering the shares of Common Stock and the shares of Common Stock issuable upon exercise of the Warrants previously issued to the Selling Stockholders to permit the resale of these shares of Common Stock by the holders of the Shares and the Warrants from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the Selling Stockholders of the shares of Common Stock. We will bear all fees and expenses incident to our obligation to register the shares of Common Stock.

The Selling Stockholders may sell all or a portion of the shares of Common Stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of Common Stock are sold through underwriters or broker-dealers, the Selling Stockholders will be responsible for underwriting fees, discounts or commissions or agent's commissions. The shares of Common Stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. The Selling Stockholders will act independently of us in making decisions with respect to the timing, manner and size of each sale. These sales may be effected in transactions, which may involve cross or block transactions:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- in ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- in block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- through purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- in an exchange distribution in accordance with the rules of the applicable exchange;
- in privately negotiated transactions;
- in short sales;
- through the distribution of the Common Stock by any Selling Stockholder to its partners, members or stockholders;
- through one or more underwritten offerings on a firm commitment or best efforts basis;
- in sales pursuant to Rule 144;
- whereby broker-dealers may agree with the Selling Stockholders to sell a specified number of such shares at a stipulated price per share;
- in a combination of any such methods of sale; and
- in any other method permitted pursuant to applicable law.

If the Selling Stockholders effect such transactions by selling shares of Common Stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the Selling Stockholders or commissions from purchasers of the shares of Common Stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of Common Stock or otherwise, the Selling Stockholders may enter into hedging transactions with broker-dealers,

which may in turn engage in short sales of the shares of Common Stock in the course of hedging in positions they assume. The Selling Stockholders may also sell shares of Common Stock short and deliver shares of Common Stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The Selling Stockholders may also loan or pledge shares of Common Stock to broker-dealers that in turn may sell such shares. The Selling Stockholders may pledge or grant a security interest in some or all of the shares of Common Stock or the Warrants owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of Common Stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending, if necessary, the list of Selling Stockholders to include the pledgee, transferee or other successors in interest as Selling Stockholders under this prospectus. The Selling Stockholders also may transfer and donate the shares of Common Stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The Selling Stockholders, individually and not severally, and any broker-dealer participating in the distribution of the shares of Common Stock may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of Common Stock is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of shares of Common Stock being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the Selling Stockholders and any discounts, commissions or concessions allowed or reallowed or paid to broker-dealers. The Selling Stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares of Common Stock against certain liabilities, including liabilities arising under the Securities Act.

Under the securities laws of some states, the shares of Common Stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of Common Stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

The aggregate proceeds to the Selling Stockholders from the sale of the Common Stock offered will be the purchase price of the Common Stock less discounts or commissions, if any. The Selling Stockholders reserve the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of Common Stock to be made directly or through agents. There can be no assurance that any Selling Stockholder will sell any or all of the shares of Common Stock registered pursuant to the registration statement of which this prospectus forms a part.

The Selling Stockholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of Common Stock by the Selling Stockholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of Common Stock to engage in market-making activities with respect to the shares of Common Stock. All of the foregoing may affect the marketability of the shares of Common Stock and the ability of any person or entity to engage in market-making activities with respect to the shares of Common Stock.

We will incur costs, fees and expenses in effecting the registration of the Shares covered by this prospectus, estimated to be approximately $83,000 in total, including, without limitation, all registration, filing, stock exchange fees, printing expenses, all fees and expenses of complying with applicable securities laws and the fees and disbursements of our counsel and of our independent registered public accounting firm and reasonable fees; provided, however, that a Selling Stockholder will pay all underwriting discounts, selling commissions or

transfer taxes, if any. We will indemnify the Selling Stockholders against certain liabilities, including certain liabilities arising under the Securities Act or the Exchange Act. We may be indemnified by certain of the Selling Stockholders against certain liabilities, including certain liabilities arising under the Securities Act or the Exchange Act, that may arise from any written information furnished to us by a Selling Stockholder specifically for use in this prospectus.

Once sold under the registration statement, of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

DESCRIPTION OF CAPITAL STOCK

The following is a description of the material terms of our capital stock is not complete and many not contain all the information you should consider before investing in our capital stock. For a complete description of the matters set forth in this "Description of Capital Stock," you should refer to our amended and restated certificate of incorporation, as amended (the "Certificate of Incorporation"), our second amended and restated bylaws (the "Bylaws") and the forms of Warrants, copies of which are incorporated by reference as exhibits to the registration statement of which this prospectus forms a part. Our authorized capital stock consists of 500,000,000 shares of common stock, $0.0001 par value per share, and 10,000,000 shares of undesignated preferred stock, $0.0001 par value per share.

As of May 20, 2021, there were 31,433,886 shares of our common stock outstanding held by approximately 85 stockholders of record, not including beneficial holders whose shares are held in names other than their own, and no shares of our convertible preferred stock outstanding.

The following is a summary of the material provisions of the common stock provided for in our Certificate of Incorporation and Bylaws. For additional detail about our capital stock, please refer to our Certificate of Incorporation and Bylaws.

Common Stock

Dividend Rights

Dividends may be declared and paid on our Common Stock if, as and when determined by our board of directors, subject to any preferential dividend or other rights of any then outstanding preferred stock and to the requirements of applicable law. Pursuant to the Purchase Agreement and the Notes, we are prohibited from paying any dividends without the prior written consent of HT SA or HT ON.

Voting Rights

Holders of our Common Stock are entitled to one vote for each share held on all matters submitted to a vote of our stockholders. We have not provided for cumulative voting for the election of directors in our Certificate of Incorporation. Accordingly, the holders of a majority of the outstanding shares of Common Stock entitled to vote in any election of directors can elect all of the directors standing for election, if they so choose, other than any directors that holders of any outstanding preferred stock may be entitled to elect. Our Certificate of Incorporation establishes a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class will be subject to election at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms. Our Certificate of Incorporation and Bylaws also provide that our directors may be removed only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon. In addition, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon is required to amend or repeal, or to adopt any provision inconsistent with, several of the provisions of our Certificate of Incorporation. See the section of this prospectus entitled "Description of Capital Stock—Anti-Takeover Provisions" for additional details regarding the anti-takeover provisions of our amended and restated certificate of incorporation and amended and restated bylaws.

MV II, LLC, Dr. Larisa Storozhenko and Mr. Maximus Yaney (collectively, the "Designating Parties") have entered into a voting agreement with Asher Delug and us (the "Restated Voting Agreement"), pursuant to which each of the Designating Parties agreed to relinquish the right to vote their shares of capital stock of, and any other equity interest in, us (collectively, the "Voting Interests") by granting our board of directors the sole right to vote all of the Voting Interests as the Designating Parties' proxyholder. Pursuant to the proxy granted by the

Designating Parties, our board of directors is required to vote all of the Voting Interests in direct proportion to the voting of the shares and equity interests voted by all holders other than the Designating Parties. The proxy granted by the Designating Parties under the Restated Voting Agreement is irrevocable. In addition, the Restated Voting Agreement proxyholder may not be changed unless we receive the prior approval of The Nasdaq Stock Market LLC. The Restated Voting Agreement became effective on June 12, 2019 and will continue until the earlier to occur of (i) a Deemed Liquidation Event unless, immediately upon such Deemed Liquidation Event, our common stock is and remains listed on The Nasdaq Stock Market LLC, or (ii) Mr. Yaney's death. Through the Restated Voting Agreement, our board of directors will have voting power over an aggregate of 3,748,616 shares of our common stock through shares of common stock held by the Designating Parties. As of May 20, 2021, the Designating Parties held 3,748,616 shares of our common stock, or 11.9% of our shares outstanding.

9830 has entered into the December Lock-Up with us, pursuant to which, until December 1, 2025, 9830 agreed that for so long as it and its affiliates collectively beneficially own any of our voting securities, except pursuant to a negotiated transaction with 9830 approved by the Board, 9830 will not (and will cause its affiliates not to) in any manner, directly or indirectly, among other things: (i) make, effect, initiate, cause or participate in (a) any acquisition of beneficial ownership of any of our securities or any securities of any subsidiary or other affiliate of us if such acquisition would result in 9830 and its affiliates collectively beneficially owning 25% or more of our then outstanding voting securities, (b) any Company acquisition transaction, (c) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any of our securities, or (d) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by us; (ii) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (iii) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (iv) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving us or any of our current or former directors or officers (including derivative actions); or (v) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions, or assist, induce or encourage any other person to take any of the foregoing actions. In addition, pursuant to the December Lock-Up and at all times prior to the termination date thereunder, 9830 shall timely vote in person or by proxy at each annual or special meeting of our stockholders all shares of common stock held by 9830 in accordance with the recommendations of the Board on each matter presented to our stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

Healing Solutions has entered into the February Lock-Up with us, pursuant to which, until August 2, 2021, Healing Solutions agreed that for so long as it and its affiliates collectively beneficially own any of our voting securities, except pursuant to a negotiated transaction with Healing Solutions approved by the Board, Healing Solutions will not (and will cause its affiliates not to) in any manner, directly or indirectly, among other things: (i) make, effect, initiate, cause or participate in (a) any acquisition of beneficial ownership of any of our securities or any securities of any subsidiary or other affiliate of us if such acquisition would result in Healing Solutions and its affiliates collectively beneficially owning 15% or more of our then outstanding voting securities, (b) any Company acquisition transaction, (c) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any of our securities or (d) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by us; (ii) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (iii) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (iv) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving us or any of our current or former directors or officers (including derivative actions); or (v) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions, or assist, induce or encourage any other person to take any of the foregoing actions. In addition, pursuant to the February Lock-Up and at all times prior to the termination

date thereunder, Healing Solutions shall timely vote in person or by proxy at each annual or special meeting of our stockholders all shares of common stock held by Healing Solutions in accordance with the recommendations of the Board on each matter presented to our stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

On May 5, 2021, Squatty Potty, LLC ("Squatty Potty") entered into a Voting and Standstill Agreement with us (the "Squatty Potty Lock-Up"), pursuant to which, until May 5, 2023, Squatty Potty agreed that for so long as it and its affiliates collectively beneficially own any of our voting securities, except pursuant to a negotiated transaction with Squatty Potty approved by the Board, Squatty Potty will not (and will cause its affiliates not to) in any manner, directly or indirectly, among other things: (i) make, effect, initiate, cause or participate in (a) any acquisition of beneficial ownership of any of our securities or any securities of any subsidiary or other affiliate of us if such acquisition would result in Squatty Potty and its affiliates collectively beneficially owning 15% or more of our then outstanding voting securities, (b) any Company acquisition transaction, (c) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any of our securities or (d) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by us; (ii) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (iii) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (iv) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving us or any of our current or former directors or officers (including derivative actions); or (v) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions, or assist, induce or encourage any other person to take any of the foregoing actions. In addition, pursuant to the Squatty Potty Lock-Up and at all times prior to the termination date thereunder, Squatty Potty shall timely vote in person or by proxy at each annual or special meeting of our stockholders all shares of common stock held by Squatty Potty in accordance with the recommendations of the Board on each matter presented to our stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

The PPD Owner and the PPD Beneficial Owner have each entered into the Shareholder Agreements with us, pursuant to which, until May 5, 2026, the PPD Owner and the PPD Beneficial Owner each agreed that for so long as it and its affiliates collectively beneficially own any of our voting securities, except pursuant to a negotiated transaction with the PPD Owner or the PPD Beneficial Owner approved by the Board, the PPD Owner and the PPD Beneficial Owner will not (and will cause its affiliates not to) in any manner, directly or indirectly, among other things: (i) make, effect, initiate, cause or participate in (a) any acquisition of beneficial ownership of any of our securities or any securities of any subsidiary or other affiliate of us if such acquisition would result in the PPD Owner or the PPD Beneficial Owner and its respective affiliates collectively beneficially owning 15% or more of our then outstanding voting securities, (b) any Company acquisition transaction, (c) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any of our securities or (d) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by us; (ii) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (iii) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (iv) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving us or any of our current or former directors or officers (including derivative actions); or (v) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions, or assist, induce or encourage any other person to take any of the foregoing actions. In addition, pursuant to the Shareholder Agreements and at all times prior to the termination date thereunder, the PPD Owner and the PPD Beneficial Owner shall each timely vote in person or by proxy at each annual or special meeting of our stockholders all shares of common stock held by the PPD Owner and the PPD Beneficial Owner in accordance with the recommendations of the Board on each matter

presented to our stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights, and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Fully Paid and Non-Assessable

All of the outstanding shares of our common stock are, and the shares of our common stock to be issued pursuant to this prospectus will be, duly authorized, validly issued, fully paid and non-assessable.

Preferred Stock

Our board of directors is authorized, subject to limitations prescribed by Delaware law, to issue up to 10,000,000 shares of our preferred stock in one or more series, to determine and fix from time to time the number of shares to be included in such series, and to fix the voting powers, designations, preferences and other rights, qualifications and restrictions thereof, including dividend rights, conversion rights, redemption privileges and liquidation preferences of such series, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding, without any further vote or action by our stockholders.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control and may adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plans to issue any shares of preferred stock.

Warrants

As of May 20, 2021, in addition to the Warrants, warrants to purchase an aggregate of 277,335 shares of our common stock with a weighted-average exercise price of $15.01 were outstanding. All of our outstanding warrants contain provisions for the adjustment of the exercise price in the event of stock dividends, stock splits or similar transactions. In addition, certain of the warrants contain a “cashless exercise” feature that allows the holders thereof to exercise the warrants without a cash payment to us under certain circumstances.

The February Warrant has an initial exercise price of $25.10, will be exercisable beginning on August 2, 2021 and has an expiration date of February 2, 2026. The Penny Warrant has an initial exercise price of $0.01, has an expiration date of February 9, 2026 and is exercisable only on a cashless basis. The Additional Warrant has an initial exercise price of $33.56 and has an expiration date of February 9, 2026. The April Warrants have an initial exercise price of $31.74 and have an expiration date of April 8, 2026.

The exercise price of each of the Warrants and the number of shares of Common Stock issuable upon exercise of the Warrants will also be subject to adjustment in connection with stock splits, dividends or distributions or other similar transactions. The February Warrant, the Additional Warrant and the April Warrants also contain a "cashless exercise" feature that allows the holders to exercise such warrants without making a cash payment in the event that there is no effective registration statement registering the February Warrant Shares, the Additional Warrant Shares or the April Warrant Shares, as applicable.

The February Warrant, the Additional Warrant and the April Warrants each include a provision that gives us the right to require the holder to exercise the February Warrant, the Additional Warrant or the April Warrants if the price of our Common Stock exceeds 200% of the exercise price of the February Warrant, the Additional Warrant or the April Warrants, respectively, for 20 consecutive trading days and certain other conditions are satisfied.

The February Warrant, the Penny Warrant, the Additional Warrant and the April Warrants each provide that in no event will the number of shares of Common Stock issued upon exercise of the February Warrant, the Penny Warrant, the Additional Warrant or the April Warrants result in the HT ON's or HT SA's beneficial ownership exceeding 4.99% or 9.99% of the Common Stock outstanding at the time of conversion or exercise, as applicable (which percentage may be decreased or increased by HT ON or HT SA, respectively, but to no greater than 9.99%, and provided that any increase will not be effective until the sixty-first (61st) day after notice of such request by the warrant holder to increase its beneficial ownership limit has been delivered to us).

Convertible Promissory Notes

As of May 20, 2021, the Notes were outstanding with an aggregate outstanding principal amount of $110.0 million. The Notes are a senior secured obligation of ours and rank senior to all of our indebtedness. The Notes do not have any amortization payments.

We may redeem all (but not less than all) of each Note at a price of 110% of the then-outstanding principal amount if the Note is redeemed prior to April 8, 2022, 108% of the then-outstanding principal amount if the Note is redeemed on or after April 8, 2022 but prior to April 8, 2023 and 104% of the then-outstanding principal amount if the Note is redeemed on or after April 8, 2023.

Subject to certain exceptions, upon the completion of any equity financing, HT SA and HT ON may elect to require us to redeem (at par) a principal amount of the Notes. If HT SA and HT ON require us to redeem the Notes upon the completion of an equity financing, the aggregate principal amount of the Notes that we will redeem will be equal to no less than the greater of (i) 20% of the net proceeds of such equity financing, excluding net proceeds that will be used to make acquisitions, if any, and (ii) 5% of the net proceeds of such equity financing, in each case with an aggregate cap under all of the Notes of $5.5 million per financing.

If an event of default under the Notes occurs, HT SA and HT ON can elect to redeem the Notes for cash equal to 115% of the then-outstanding principal amount of the Notes, plus accrued and unpaid interest, which accrues at a rate per annum equal to 15% from the date of a default or event of default (the "Event of Default Acceleration Amount"). If we fail to pay the Event of Default Acceleration Amount in cash, then HT SA and HT ON may elect to redeem the Notes and receive the unpaid portion of the Event of Default Acceleration Amount entirely or partially in shares of Common Stock. The price for any shares issued to pay such Event of Default Acceleration Amount will be equal to 80% of the lesser of (i) the daily volume weighted average price ("VWAP") on the date HT SA or HT ON deliver notice of its election to redeem the Notes for shares of Common Stock (the "Event of Default Stock Payment Date"), and (ii) the average of the lowest two daily VWAPs during the ten trading day period ending on such Event of Default Stock Payment Date. HT SA and HT ON also have the option of requiring us to redeem the Notes if we undergo a fundamental change for 105% of the then-outstanding principal amount of the Notes plus any accrued and unpaid interest thereon.

Until the later of (i) October 8, 2022, and (ii) the date the Notes are fully repaid, HT SA and HT ON will, subject to certain exceptions, have the right to participate for up to 40% of any debt, preferred stock or equity-linked

financing of us or our subsidiaries and up to 10% of any Common Stock equity financing by us or any of our subsidiaries.

Anti-Takeover Provisions

Certain provisions of Delaware law, along with our Certificate of Incorporation and our Bylaws, all of which are summarized below, may have the effect of delaying, deferring or discouraging another person from acquiring control of our company. These provisions are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed, in part, to encourage persons seeking to acquire control of our company to first negotiate with our board of directors. However, these provisions could have the effect of delaying, discouraging or preventing attempts to acquire us, which could deprive our stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

Delaware Law

We are subject to Section 203 of the DGCL, which prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors.

Choice of Forum

Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty by any of our directors, officers, employees or agents to us or our stockholders, creditors or other constituents; (3) any action asserting a claim against us arising pursuant to any provision of the DGCL or our Certificate of Incorporation or Bylaws; (4) any action to interpret, apply, enforce or determine the validity of our Certificate of Incorporation or Bylaws; or (5) any action asserting a claim governed by the internal affairs doctrine. The provision would not apply to suits brought to enforce a duty or liability created by the Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. Our Certificate of Incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this choice of forum provision.

Certificate of Incorporation and Bylaw Provisions

Our Certificate of Incorporation and our Bylaws include a number of provisions that could deter hostile takeovers or delay or prevent changes relating to the control of our board of directors or management team, including the following:

- *Board of Directors Vacancies*. Our Certificate of Incorporation authorizes only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions would prevent a stockholder from

increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This makes it more difficult to change the composition of our board of directors and promotes continuity of management.

- *Classified Board*. Our board of directors is divided into three classes. The directors in each class will serve for a three-year term (other than the directors initially assigned to Class I whose term shall expire at our first annual meeting of stockholders following our initial public offering ("IPO") and those assigned to Class II whose term shall expire to our second annual meeting of stockholders following our IPO), one class being elected each year by our stockholders. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the directors.
- *Stockholder Meetings*. Our Bylaws provide that a special meeting of stockholders may be called only by our chairman of the board, chief executive officer or president or by a resolution adopted by a majority of our board of directors, thus prohibiting a stockholder (in the capacity as a stockholder) from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.
- *Elimination of Stockholder Action by Written Consent*. Our Certificate of Incorporation and Bylaws eliminate the right of stockholders to act by written consent without a meeting. As a result, a holder controlling a majority of our capital stock would not be able to amend our Bylaws or remove directors without holding a meeting of our stockholders called in accordance with our Bylaws.
- *Advance Notice Requirements for Stockholder Proposals and Director Nominations*. Our Bylaws establish advance notice procedures with respect to stockholder proposals to be brought before a stockholder meeting and the nomination of candidates for election as directors. Our Bylaws also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.
- *No Cumulative Voting*. Our Certificate of Incorporation does not permit stockholders to cumulate their votes in the election of directors. Accordingly, the holders of a majority of the outstanding shares of our common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they choose, other than any directors that holders of our preferred stock may be entitled to elect.
- *Directors Removed Only for Cause*. Our Certificate of Incorporation provides that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than two thirds of the total voting power of all of our outstanding voting stock then entitled to vote in the election of directors.
- *Issuance of Undesignated Preferred Stock*. The ability of our board of directors, without action by the stockholders, to issue up to 10,000,000 shares of undesignated preferred stock with voting or other rights or preferences as designated by our board of directors could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.
- *Amendment of Charter Provisions*. The amendment of any of the above provisions, except for the provisions making it possible for our board of directors to issue preferred stock or for our stockholders to cumulate their votes, would require approval by holders of at least two thirds of the total voting power of all of our outstanding voting stock. The provisions of the DGCL, our Certificate of

Incorporation and our Bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our board and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Philadelphia Stock Transfer, Inc. The transfer agent and registrar's address is 2320 Haverford Road, Suite 230, Ardmore, PA 19003.

Listing

Our common stock is listed on the Nasdaq Capital Market under the symbol "ATER".

LEGAL MATTERS

The validity of the shares of our common stock being offered by this prospectus will be passed upon for us by Paul Hastings LLP, Palo Alto, California.

EXPERTS

The financial statements, and the related financial statement schedule, incorporated in this Prospectus by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 2020, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Healing Solutions, LLC as of and for the year ended December 31, 2020, incorporated by reference in this prospectus and registration statement of Aterian, Inc., have been so included in reliance on the report of Mayer Hoffman McCann P.C., an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The audited financial statements of 9830, MacArthur, LLC & Subsidiaries Ecommerce Business under the Brands Mueller, Pursteam, Pohl and Schmitt and Spiralizer as of December 31, 2018 and 2020 have been incorporated by reference herein in reliance upon the report of Boeckermann Grafstrom & Mayer, LLC, an independent public accounting firm, have been incorporated by reference herein, upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the Shares being offered under this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement of which this prospectus is a part and the exhibits to such registration statement. For further information with respect to us and the Common Stock offered by this prospectus, we refer you to the registration statement of which this prospectus is a part and the exhibits to such registration statement. Statements contained in this prospectus as to the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit.

The SEC maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of that website is *www.sec.gov*. You may also request a copy of these filings, at no cost, by writing us at 37 East 18th Street, 7th Floor, New York, NY 10003 or telephoning us at (347) 676-1681.

We are subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information are available at the website of the SEC referred to above. We also maintain a website at *www.aterian.io*. You may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on our website is not a part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers, and persons controlling us pursuant to the provisions described in Item 14 of the registration statement of which this prospectus is a part or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than our payment of expenses incurred or paid by our directors, officers, or controlling persons in the successful defense of any action, suit, or proceeding) is asserted by our directors, officers, or controlling persons in connection with the common stock being registered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of the issue.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information and reports we file with it, which means that we can disclose important information to you by referring you to these documents. The information incorporated by reference is an important part of this prospectus. We are incorporating by reference the documents listed below, which we have already filed with the SEC:

- our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 16, 2021;
- our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2020, filed with the SEC on April 29, 2021;
- our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021, filed with the SEC on May 11, 2021;
- our Current Reports on Form 8-K filed with the SEC on February 3, 2021, February 9, 2021, March 8, 2021 (other than with respect to Item 2.02 and Exhibit 99.1 thereof), March 26, 2021, April 2, 2021, April 9, 2021, April 30, 2021 (other than with respect to Item 7.01 and Exhibit 99.1 thereof), May 5, 2021 and May 11, 2021;
- our Current Reports on Form 8-K/A filed with the SEC on April 20, 2021 and May 14, 2021; and
- the description of our Common Stock set forth in our Registration Statement on Form 8-A (File No. 001-38937), filed with the SEC on June 11, 2019, including any amendments or reports filed for the purpose of updating such description.

We also incorporate by reference any future filings (other than current reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits filed on such form that are related to such items unless such Form 8-K expressly provides to the contrary) made with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, including those made after the date of the initial filing of the registration statement of which this prospectus is a part and prior to effectiveness of such registration statement, until we file a post-effective amendment that indicates the termination of the offering of the securities made by this prospectus and such future filings will become a part of this prospectus from the respective dates that such documents are filed with the SEC. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes hereof to the extent that a statement contained herein or in any other subsequently filed document which is also incorporated or deemed to be incorporated herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Documents incorporated by reference are available from us, without charge. You may obtain documents incorporated by reference in this prospectus by requesting them in writing or by telephone at the following address:

Aterian, Inc.
37 East 18th Street, 7th Floor
New York, New York 10003
Attn: Corporate Secretary
Phone: (347) 676-1681

You also may access these filings on our Internet site at https://aterian.io. Our web site and the information contained on that site, or connected to that site, are not incorporated into this prospectus or the registration statement of which this prospectus is a part.

This prospectus is part of a registration statement we filed with the SEC. We have incorporated exhibits into the registration statement of which this prospectus is a part. You should read the exhibits carefully for provisions that may be important to you.

Neither we nor the selling stockholder authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, but only under the circumstances and in the jurisdictions where it is lawful to do so. The information contained in this prospectus or in any applicable free writing prospectus is current only as of its date, regardless of its time of delivery or any sale of shares of our Common Stock. Our business, financial condition, results of operations and prospects may have changed since that date. We are not, and the selling stockholder is not, making an offer of these securities in any jurisdiction where such offer is not permitted.

Aterian, Inc.

12,785,537 Shares of Common Stock

PROSPECTUS

, 2021

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all expenses to be paid by Aterian, Inc. (the "Registrant") in connection with the sale of the common stock being registered. The security holders will not bear any portion of such expenses. All amounts shown are estimates except for the registration fee.

SEC registration fee	$ 22,667
Legal fees and expenses	25,000
Accounting fees and expenses	30,000
Printing, transfer agent fees and miscellaneous expenses	5,183
Total	$ 82,850

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 102 of the General Corporation Law of the State of Delaware (the "DGCL") permits a corporation to eliminate or limit the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty to the corporation or its stockholders, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase or redemption in violation of the DGCL or derived an improper personal benefit. The Registrant's amended and restated certificate of incorporation, as amended (the "Certificate of Incorporation"), provides that no director of the Registrant shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the DGCL provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he or she was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to judgments, fines and amounts paid in settlement in connection with such action, suit or proceeding or with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

The Registrant's second amended and restated bylaws provide that the Registrant will indemnify each person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the Registrant) by reason of the fact that he or she is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at its request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) (all such persons being referred to as an "Indemnitee"), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without

limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974), and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding and any appeal therefrom, if such Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the Registrant's best interests, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. The Registrant's second amended and restated bylaws also provide that the Registrant will indemnify any Indemnitee who was or is a party to an action or suit by or in the right of the Registrant to procure a judgment in the Registrant's favor by reason of the fact that the Indemnitee is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at the Registrant's request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including, without limitation, attorneys' fees) actually and reasonably incurred by or on behalf of such Indemnitee in connection with such action, suit or proceeding and any appeal therefrom, if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the Registrant's best interests, except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the Registrant, unless, and only to the extent, that a court determines, despite such adjudication but in view of all of the circumstances, he or she is entitled to indemnification of such expenses. Notwithstanding the foregoing, to the extent that any Indemnitee has been successful, on the merits or otherwise, he or she will be indemnified to the fullest extent permitted by law by the Registrant against all expenses (including, without limitation, attorneys' fees) actually and reasonably incurred in connection therewith. Expenses must be advanced to an Indemnitee under certain circumstances.

The Registrant has entered into indemnification agreements with each of its directors and executive officers that may be broader than the specific indemnification provisions contained in the DGCL. These indemnification agreements require the Registrant, among other things, to indemnify its directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements also require the Registrant to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding, subject to certain exceptions.

The Registrant's second amended and restated bylaws provide that the Registrant may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Registrant or another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against any expense, liability or loss incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Registrant would have the power to indemnify such person against such expense, liability or loss under the DGCL. The Registrant has obtained insurance under which, subject to the limitations of the insurance policies, coverage is provided to the Registrant's directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to the Registrant with respect to payments that may be made by the Registrant to these directors and executive officers pursuant to the Registrant's indemnification obligations or otherwise as a matter of law.

See also the undertakings set out in response to Item 17 herein.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

Since its incorporation in May 2018 the Registrant has issued the following securities (after giving effect to the 1-for-3.9 reverse stock split effected on May 24, 2019) that were not registered under the Securities Act of 1933, as amended (the "Securities Act"):

(1) On September 4, 2018, pursuant to an Agreement and Plan of Merger and Reorganization among the Registrant, MGH Merger Sub, Inc. and Aterian Group, Inc. (formerly known as Mohawk Group, Inc.) ("Aterian Opco"), as amended by Amendment No. 1 dated as of April 1, 2018 (the "Merger Agreement"), MGH Merger Sub, Inc. merged with and into Aterian Opco, with Aterian Opco remaining as the surviving entity and becoming a wholly owned

operating subsidiary the Registrant (the "Merger"). The Merger became effective as of September 4, 2018 upon the filing of a Certificate of Merger with the Secretary of State of the State of Delaware (the "Effective Time").

At the Effective Time, each outstanding share of Aterian Opco's common and preferred stock (other than shares of Aterian Opco's Series C Preferred Stock) issued and outstanding immediately prior to the closing of the Merger was exchanged for 0.31310798 shares of the Registrant's common stock, each outstanding share of Aterian Opco's Series C Preferred Stock issued and outstanding immediately prior to the closing of the Merger was exchanged for 0.2564103 shares of the Registrant's common stock and each outstanding warrant to purchase shares of Aterian Opco's Series C Preferred Stock was exchanged for a warrant to purchase 0.2564103 shares of the Registrant's common stock and retained the exercise price per share of $15.60. As a result, an aggregate of 10,636,755 shares of the Registrant's common stock were issued to the holders of Aterian Opco's capital stock after adjustments due to rounding for fractional shares and warrants to purchase 44,871 shares of the Registrant's common stock were issued to former holders of warrants to purchase shares of Aterian Opco's Series C Preferred Stock. In addition, pursuant to the Merger Agreement, options to purchase 302,911 shares of Aterian Opco's common stock issued and outstanding immediately prior to the closing of the Merger with a weighted-average exercise price of $7.49 were assumed and exchanged for options to purchase 369,885 shares of the Registrant's common stock with a weighted-average exercise price of $6.16.

The issuance of shares of the Registrant's common stock and options to purchase shares of the Registrant's common stock to holders of Aterian Opco's capital stock and options in connection with the Merger was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the Securities and Exchange Commission (the "SEC"). Of the 10,636,755 shares of the Registrant's common stock issued to holders of Aterian Opco's capital stock, (1) 10,630,919 shares of the Registrant's common stock were issued to 208 stockholders, each of which was an "accredited investor" as defined in Rule 501(a) under the Securities Act (the "Accredited Stockholders"), and (2) 5,836 shares of the Registrant's common stock were issued to six stockholders (the "Other Stockholders"). The shares of the Registrant's common stock were issued to (1) the Accredited Investors pursuant to Rule 506(b) of Regulation D promulgated by the SEC, and (2) the Other Stockholders pursuant to Section 4(a)(2) of the Securities Act. Each of the Other Stockholders received an information statement regarding the Merger, Aterian Opco and the Registrant prior to the issuance of the Registrant's common stock.

(2) On September 4, 2018, the Registrant issued warrants to purchase an aggregate of 196,364 shares of its common stock with an exercise price of $15.60 per share to certain accredited investors as consideration for providing certain placement agent services to Aterian Opco.

The issuance of shares of the Registrant's common stock and warrants in the above transaction was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC.

(3) On December 31, 2018, the Registrant issued warrants to purchase an aggregate of 76,923 shares of its common stock with an exercise price of $15.60 per share to Horizon Technology Finance Corporation as part of a loan agreement.

The issuance of the warrants to purchase shares of the Registrant's common stock in the above transaction was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC.

(4) From the date of the closing of the Merger through December 28, 2018, the Registrant granted to certain of its directors, officers, employees, consultants and other service providers options to purchase an aggregate of 1,547,938 shares of its common stock under its 2018 Equity Incentive Plan with an exercise price of $9.72 per share.

The issuance of the options to purchase shares of the Registrant's common stock pursuant to the above was not registered under the Securities Act in reliance upon Rule 701 promulgated under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

(5) On March 20, 2019, the Registrant issued an aggregate of 2,406,618 restricted shares of the Registrant's common stock to certain of its directors, officers, employees, consultants and other service providers pursuant to the Registrant's 2019 Equity Plan.

The issuance of the restricted shares of the Registrant's common stock pursuant to the above was not registered under the Securities Act in reliance upon Rule 701 promulgated under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

(6) On May 17, 2019, the Registrant issued an aggregate of 88,548 restricted shares of the Registrant's common stock to certain of its directors, officers, employees, consultants and other service providers pursuant to the Registrant's 2019 Equity Plan.

The issuance of the restricted shares of the Registrant's common stock pursuant to the above was not registered under the Securities Act in reliance upon Rule 701 promulgated under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

(7) On June 12, 2019, the Registrant issued an aggregate of 64,982 restricted shares of its common stock to an executive officer pursuant to its 2018 Equity Incentive Plan. On June 12, 2019, the Registrant granted to certain of its directors, officers and employees options to purchase an aggregate of 131,905 shares of its common stock pursuant to its 2018 Equity Incentive Plan with an exercise price of $10.00 per share.

The issuance of the restricted shares of the Registrant's common stock and the options to purchase shares of the Registrant's common stock pursuant to the above was not registered under the Securities Act in reliance upon Rule 701 promulgated under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

(8) On July 13, 2020, the Registrant issued an aggregate of 10,000 shares of its common stock to certain individuals pursuant to an independent contractor agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(9) On August 10, 2020, the Registrant issued 90,000 restricted shares of its common stock to advisory firm, pursuant to a consulting agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(10) On August 18, 2020, the Registrant issued a warrant to purchase 25,000 shares of its common stock with an exercise price equal to $9.09 per share to an advisory firm.

The issuance of the warrant in the above transaction was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act as the transaction did not involve a public offering.

(11) On November 16, 2020, the Registrant issued 90,000 restricted shares of its common stock to advisory firm, pursuant to a consulting agreement

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(12) On November 30, 2020, the Registrant issued (i) a 0% coupon senior secured promissory note in an aggregate principal amount of $43,000,000 (the "2020 Note") that was set to mature on December 1, 2022, and (ii) a warrant to purchase up to an aggregate of 2,864,133 shares of its common stock (the "December Warrant") pursuant to a securities purchase agreement to High Trail Investments SA LLC ("HT SA") in exchange for the payment by HT SA of $38,000,000, less applicable expenses.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(13) On December 1, 2020, the Registrant issued 4,056,000 shares of its common stock to 9830 Macarthur LLC and 164,000 shares of its common stock to Northbound Train Enterprises, LLC pursuant to an asset purchase agreement in exchange for certain assets related to ecommerce businesses under the brands Mueller, Pursteam, Pohl and Schmitt and Spiralizer.

The issuance of shares of the Registrant's common stock was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(14) On January 2, 2021, the Registrant issued 13,333 restricted shares of its common stock to an advisory firm, pursuant to a consulting agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(15) On February 2, 2021, the Registrant issued (i) a 0% coupon senior secured promissory note in an aggregate principal amount of $16,500,000 (the "2021 Note") that was set to mature on February 1, 2023, and (ii) a warrant to purchase up to an aggregate of 469,931 shares of its common stock pursuant to a securities purchase agreement to High Trail Investments ON LLC ("HT ON" and, together with HT SA, "High Trail") in exchange for the payment by HT ON of $14,025,000, less applicable expenses.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(16) On February 2, 2021, the Registrant issued 1,387,759 shares of its common stock to Healing Solutions, LLC pursuant to an asset purchase agreement in exchange for certain assets related to retail and ecommerce businesses under the brands Healing Solutions, Tarvol, Sun Essential Oils and Artizen (among others).

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(17) On February 2, 2021, the Registrant issued 4,000 shares of its common stock to advisory firm, pursuant to a consulting agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(18) On February 8, 2021, the Registrant issued 980,000 shares of its common stock to HT SA pursuant to the exercise of the December Warrant in exchange for $8,829,800.

The issuance of the shares of the Registrant's common stock was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(19) On February 8, 2021, the Registrant issued (i) a warrant to purchase 1,884,133 shares of its common stock to HT SA in exchange for the cancellation of the unexercised portion of the December Warrant and a cash payment of $16,957,197 by HT SA to the Registrant and (ii) a warrant to purchase 750,000 shares of its common stock to HT SA pursuant to the terms of a letter agreement entered into between the Registrant and HT SA on February 8, 2021 (the "February Letter Agreement").

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(20) On March 17, 2021, the Registrant issued 90,000 restricted shares of its common stock to an advisory firm, pursuant to a consulting agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(21) On March 17, 2021, the Registrant issued 2,458 restricted shares of its common stock to an advisory firm, pursuant to a consulting agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(22) On April 8, 2021, the Registrant issued 130,000 shares of its common stock to HT SA pursuant to the terms of a letter agreement entered into among the Registrant, HT SA and HT ON, pursuant to which, among other things, HT SA and HT ON agreed to waive any Default or Event of Default (as such terms are defined in the 2020 Note or the 2021 Note) caused by the Registrant's failure to file a resale registration statement by March 26, 2021 pursuant to the terms of the February Letter Agreement.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(23) On April 8, 2021, the Registrant issued (i) senior secured promissory notes in an aggregate principal amount of $110,000,000 (the "Notes") that will accrue interest at a rate of 8% per annum and mature on April 8, 2024, and (ii) warrants to purchase up to an aggregate of 2,259,166 shares of common stock pursuant to the terms of a securities purchase and exchange agreement to HT SA and HT ON in exchange for (a) an aggregate cash payment from High Trail to the Registrant of $57.7 million, (b) the 2020 Note, and (c) the 2021 Note.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated by the SEC, and in reliance on similar exemptions under applicable state laws.

(24) On May 5, 2021, the Registrant issued 704,548 shares of its common stock pursuant to a stock purchase agreement to Josef Eitan and Ran Nir.

The issuance of the foregoing securities was not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated by the SEC or Regulation S, to the extent applicable, and in reliance on similar exemptions under applicable state laws.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits.

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Filing Date	Exhibit
2.1^	Asset Purchase Agreement, dated December 1, 2020, by and among (i) the Registrant and Truweo, LLC, as Purchaser, (ii) 9830 Macarthur LLC, Reliance Equities Group, LLC and ZN Direct LLC, as Sellers and (iii) Jelena Puzovic, as Founder.	8-K	001-38937	12/1/2020	2.1
2.2^	Asset Purchase Agreement, dated February 2, 2021, by and among (i) the Registrant and Truweo, LLC, as Purchaser, (ii) Healing Solutions, LLC, (iii) Jason R. Hope, and (iv) for the purposes of Section 5.11 and Article VII, Super Transcontinental Holdings LLC.	8-K	001-38937	2/3/2021	2.1
2.3^	Asset Purchase Agreement, dated May 5, 2021, by and among (i) the Registrant and Truweo, LLC, as Purchaser, (ii) Squatty Potty, LLC, and (iii) for the purposes of Section 5.7, Section 5.8, Section 5.11, Section 5.13 and Article VII, Edwards SP Holdings, LLC, Team Lindsey, LLC, SLEKT Investments, LLC, Sachs Capital Fund II, LLC, Sachs Capital-Squatty, LLC and Bevel Acquisition II, LLC.	8-K	001-38937	5/11/2021	2.1
2.4^	Stock Purchase Agreement, dated May 5, 2021, by and among (i) the Registrant and Truweo, LLC, as Purchaser, (ii) Photo Paper Direct Ltd, (iii) Josef Eitan, and (iv) Ran Nir.	8-K	001-38937	5/11/2021	2.2
3.1	Amended and Restated Certificate of Incorporation of the Registrant.	8-K	001-38937	6/14/2019	3.1
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation.	8-K	001-38937	4/30/2021	3.1
3.3	Certificate of Correction of Certificate of Amendment to the Amended and Restated Certificate of Incorporation.	8-K	001-38937	4/30/2021	3.2
3.4	Second Amended and Restated Bylaws of the Registrant.	8-K	001-38937	4/30/2021	3.3
4.1	Form of Common Stock Certificate.	S-1/A	333-231381	5/24/2019	4.1
4.2+	Form of Registration Rights Agreement, dated as of April 6, 2018, among the Registrant and the purchasers party thereto.	S-1	333-231381	5/10/2019	4.2
4.3	Form of Warrant, issued to Katalyst Securities LLC and its assigns on September 4, 2018.	S-1	333-231381	5/10/2019	4.4
4.4	Form of Warrant, issued to Horizon Technology Finance Corporation on December 31, 2018.	S-1	333-231381	5/10/2019	4.5
4.5	Amendment No. 1 to Registration Rights Agreement, dated as of March 2, 2019, among the Registrant and the investors party thereto.	S-1	333-231381	5/10/2019	4.6

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Filing Date	Exhibit
4.6	Warrant to Purchase Shares of Common Stock, issued to Third Creek Advisors, LLC on August 18, 2020.	8-K	001-389937	11/9/2020	4.7
4.7	Form of Warrant to Purchase Common Stock, dated February 2, 2021.	8-K	001-389937	2/3/2021	4.2
4.8	Amendment to Senior Secured Note due 2022 and Securities Purchase Agreement, dated as of February 2, 2021.	8-K	001-389937	2/3/2021	4.3
4.9	Form of Warrant to Purchase Common Stock (Penny Warrant), dated February 9, 2021.	8-K	001-389937	2/9/2021	4.1
4.10	Form of Warrant to Purchase Common Stock, dated February 9, 2021.	8-K	001-389937	2/9/2021	4.2
4.11	Amendment to Warrant to Purchase Common Stock issued on February 2, 2021, dated as of February 8, 2021.	8-K	001-389937	2/9/2021	4.5
4.12	Form of Senior Secured Note due 2024.	8-K	001-389937	4/9/2021	4.1
4.13	Form of Warrant to Purchase Common Stock, dated April 8, 2021.	8-K	001-389937	4/9/2021	4.2
4.14	Amendment to Warrant to Purchase Common Stock issued on February 2, 2021, dated as of April 8, 2021.	8-K	001-389937	4/9/2021	4.3
4.15	Amendment to Warrant to Purchase Common Stock issued on February 8, 2021 (Penny Warrant), dated as of April 8, 2021.	8-K	001-389937	4/9/2021	4.4
4.16	Amendment to Warrant to Purchase Common Stock issued on February 8, 2021, dated as of April 8, 2021.	8-K	001-389937	4/9/2021	4.5
5.1*	Opinion of Paul Hastings LLP.				
10.1#	Form of Indemnification Agreement.	S-1/A	333-231381	5/24/2019	10.1
10.2#	2014 Amended and Restated Equity Incentive Plan.	S-1	333-231381	5/10/2019	10.2
10.3#	Form of Stock Option Grant Notice and Form of Stock Option Agreement (2014 Amended and Restated Equity Incentive Plan).	S-1	333-231381	5/10/2019	10.3
10.4#	Amended and Restated 2018 Equity Incentive Plan.	S-8	333-232087	5/28/2021	4.2
10.5#	Form of Notice of Stock Option Grant and Form of Stock Option Award Agreement (2018 Equity Incentive Plan).	S-1	333-231381	5/10/2019	10.5
10.6#	Form of Notice of Grant of Restricted Shares and Form of Restricted Share Award Agreement (2018 Equity Incentive Plan).	S-8	333-232087	6/12/2019	10.4
10.7#*	Amended and Restated Aterian, Inc. 2019 Equity Plan.				
10.8#	Form of Notice of Grant of Restricted Shares and Form of Restricted Share Award Agreement	S-1	333-231381	5/10/2019	10.18
10.9#	Transaction Bonus Plan.	S-1	333-231381	5/10/2019	10.9

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Filing Date	Exhibit
10.10#+	Employment Agreement, dated May 14, 2018, by and between Aterian Group, Inc. and Joseph Risico.	S-1	333-231381	5/10/2019	10.10
10.11#+	Employment Agreement, dated January 1, 2016, by and between Aterian Group, Inc. and Mihal Chaouat-Fix.	S-1	333-231381	5/10/2019	10.11
10.12#	Independent Contractor Agreement, dated July 1, 2017, by and between Aterian Group, Inc. and Fabrice Hamaide.	S-1	333-231381	5/10/2019	10.12
10.13#	Employment Agreement, dated April 1, 2015, by and between Aterian Group, Inc. and Yaniv Sarig.	S-1	333-231381	5/10/2019	10.14
10.14#	Independent Contractor Agreement, dated August 14, 2017, by and between Aterian Group, Inc. and Tomer Pascal.	S-1	333-231381	5/10/2019	10.15
10.15#+	Employment Agreement, dated November 27, 2018, by and between Aterian Group, Inc. and Roi Zahut.	S-1	333-231381	5/10/2019	10.16
10.16	Restated Voting Agreement, dated March 13, 2019, by and among MV II, LLC, Maximus Yaney, Larisa Storozhenko and the Registrant.	S-1	333-231381	5/10/2019	10.19
10.17+	Securities Purchase Agreement, dated as of November 30, 2020, by and among the Registrant and each of the investors listed on the Schedule of Buyers attached thereto.	8-K	001-389937	12/1/2020	10.1
10.18	Lock-Up, Voting and Standstill Agreement, dated December 1, 2020, by and between the Registrant and 9830 Macarthur LLC.	8-K	001-389937	12/1/2020	10.3
10.19	Non-Negotiable Promissory Note, dated December 1, 2020, from the Registrant to 9830 Macarthur LLC.	8-K	001-389937	12/1/2020	10.4
10.20+	Securities Purchase Agreement, dated as of February 2, 2021, by and among the Registrant and each of the investors listed on the Schedule of Buyers attached thereto.	8-K	001-389937	2/3/2021	10.1
10.21	Lock-Up, Voting and Standstill Agreement, dated February 2, 2021, by and between the Registrant and Healing Solutions, LLC.	8-K	001-389937	2/3/2021	10.3
10.22+	Manufacturing Supply Agreement, dated February 2, 2021, by and between Aterian Group, Inc. and Healing Solutions, LLC.	8-K	001-389937	2/3/2021	10.4
10.23+	Consulting Agreement, dated February 2, 2021, by and between Aterian Group, Inc. and Richard Perry.	8-K	001-389937	2/3/2021	10.5
10.24+	Consulting Agreement, dated February 2, 2021, by and between Aterian Group, Inc. and Christopher Marshall.	8-K	001-389937	2/3/2021	10.6
10.25+	Consulting Agreement, dated February 2, 2021, by and between Aterian Group, Inc. and Quinn McCullough.	8-K	001-389937	2/3/2021	10.7

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Filing Date	Exhibit
10.26+	Transition Services Agreement, dated February 2, 2021, by and between Healing Solutions, LLC and Truweo, LLC.	8-K	001-389937	2/3/2021	10.8
10.27+	Letter Agreement, dated February 8, 2021, by and between the Registrant and High Trail Investments SA LLC.	8-K	001-389937	2/9/2021	10.1
10.28+	Letter Agreement, dated April 8, 2021, by and among the Registrant, High Trail Investments SA LLC and High Trail Investments ON LLC.	8-K	001-389937	4/9/2021	10.1
10.29+	Securities Purchase and Exchange Agreement, dated as of April 8, 2021, by and among the Registrant, High Trail Investments SA LLC and High Trail Investments ON LLC.	8-K	001-389937	4/9/2021	10.2
10.30	Amendment of Securities Purchase Agreements, dated as of April 8, 2021, by and among the Registrant, High Trail Investments SA LLC and High Trail Investments ON LLC.	8-K	001-389937	4/9/2021	10.3
10.31	Voting and Standstill Agreement, dated May 5, 2021, by and between the Registrant and Squatty Potty, LLC.	8-K	001-389937	5/11/2021	10.1
10.32+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Bernie Kropfelder.	8-K	001-389937	5/11/2021	10.2
10.33+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Tani Alger.	8-K	001-389937	5/11/2021	10.3
10.34+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Jeff Ela.	8-K	001-389937	5/11/2021	10.4
10.35+	Transition Services Agreement, dated May 5, 2021, by and between Squatty Potty, LLC and Truweo, LLC.	8-K	001-389937	5/11/2021	10.5
10.36	Shareholder Agreement, dated May 5, 2021, by and between the Registrant and Josef Eitan.	8-K	001-389937	5/11/2021	10.6
10.37	Shareholder Agreement, dated May 5, 2021, by and between the Registrant and Ran Nir.	8-K	001-389937	5/11/2021	10.7
21.1*	List of Subsidiaries of the Registrant.				
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.				
23.2*	Consent of Mayer Hoffman McCann P.C.				
23.3*	Consent of Boeckermann Grafstrom & Mayer, LLC.				
23.4*	Consent of Paul Hastings LLP (included in Exhibit 5.1).				
24.1*	Power of Attorney (included on the signature page to this Registration Statement).				

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Filing Date	Exhibit
99.1*	Unaudited pro forma, condensed, consolidated and combined financial information of Aterian, Inc. and 9830 MacArthur LLC & Subsidiaries (on a carve-out basis) for the year ended December 31, 2020.				
99.2*	Unaudited pro forma, condensed, consolidated and combined financial information of Aterian, Inc. and Healing Solutions, LLC for the three-months ended March 31, 2021.				

* Filed herewith.
\# Indicates management contract or compensatory plan or arrangement.
\+ Non-material schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the Securities and Exchange Commission.
^ Non-material schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the SEC.

(b) Financial Statement Schedules.

Schedule II—Valuation and Qualifying Accounts and Reserves

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, *however*, that:

Paragraphs (1)(i), (1)(ii) and (1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided*, *however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(6) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on May 28, 2021.

ATERIAN, INC.

By: /s/ Yaniv Sarig
Yaniv Sarig
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Yaniv Sarig, Arturo Rodriguez and Joseph A. Risico, and each of them, as his or her true and lawful attorneys-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement on Form S-1 of Aterian, Inc. and any or all amendments (including post-effective amendments) thereto and any new registration statement with respect to the offering contemplated thereby filed pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises hereby ratifying and confirming all that said attorneys-in-fact and agent, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Yaniv Sarig Yaniv Sarig	President, Chief Executive Officer and Director (Principal Executive Officer)	May 28, 2021
/s/ Arturo Rodriguez Arturo Rodriguez	Chief Financial Officer (Principal Accounting and Financial Officer)	May 28, 2021
/s/ Bari Harlam Bari Harlam	Director	May 28, 2021
/s/ William Kurtz William Kurtz	Director	May 28, 2021
/s/ Greg B. Petersen Greg B. Petersen	Director	May 28, 2021
/s/ Amy von Walter Amy von Walter	Director	May 28, 2021

Exhibit 5.1

PAUL
HASTINGS

May 28, 2021 98082.00001

Aterian, Inc.
37 East 18th Street, 7th Floor
New York, NY 10003

Re: Aterian, Inc. Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel to Aterian, Inc., a Delaware corporation (the "***Company***"), in connection with the preparation and filing by the Company of a Registration Statement on Form S-1 (the "***Registration Statement***") with the U.S. Securities and Exchange Commission (the "***Commission***") under the Securities Act of 1933, as amended (the "***Securities Act***"), on or about the date hereof, with respect to the resale from time to time by the selling stockholders of the Company, as detailed in the Registration Statement (the "***Selling Stockholders***"), of up to 12,785,537 shares of the Company's common stock, par value $0.0001 per share, which consists of: (i) 7,422,307 shares of common stock previously issued to certain of the Selling Stockholders (the "***Issued Shares***"), and (ii) 5,363,230 shares of common stock issuable upon exercise of outstanding warrants to purchase shares of common stock (the "***Warrant Shares***" and, together with the Issued Shares, the "***Shares***") issued by the Company to certain of the Selling Stockholders (the "***Warrants***"). The Shares are being registered pursuant to (i) an asset purchase agreement by and among the Company, Truweo, LLC ("***Truweo***"), 9830 Macarthur LLC, Reliance Equities Group, LLC, ZN Direct LLC and Jelena Puzovic, dated as of December 1, 2020 (the "***December Asset Purchase Agreement***"), (ii) an asset purchase agreement by and among the Company, Truweo, Healing Solutions, LLC, Jason R. Hope and, for the purposes of Section 5.11 and Article VII, Super Transcontinental Holdings LLC, dated as of February 2, 2021 (the "***February Asset Purchase Agreement***"), (iii) a letter agreement by and between the Company and High Trail Investments SA LLC ("***High Trail SA***"), dated as of February 8, 2021, as amended by a letter agreement by and among the Company, High Trail SA and High Trail Investments ON LLC ("***High Trail ON***"), dated as of April 8, 2021 (as amended, the "***Letter Agreement***"), (iv) a securities purchase and exchange agreement by and among the Company, High Trail SA and High Trail ON, dated as of April 8, 2021 (the "***Securities Purchase Agreement***"), and (v) a stock purchase agreement by and among the Company, Truweo, Photo Paper Direct Ltd, Josef Eitan and Ran Nir, dated as of May 5, 2021 (the "***Stock Purchase Agreement***").

As such counsel and for purposes of our opinion set forth below, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of such documents, resolutions, certificates and other instruments of the Company and corporate records furnished to us by the Company, and have reviewed certificates of public officials, statutes, records and such other instruments and documents as we have deemed necessary or appropriate as a basis for the opinion set forth below, including, without limitation:

(i) the Registration Statement;

(ii) the December Asset Purchase Agreement;

(iii) the February Securities Purchase Agreement;

(iv) the February Asset Purchase Agreement;

(v) the Letter Agreement;

(vi) the Securities Purchase Agreement;

(vii) the Stock Purchase Agreement;

(viii) the form of warrant issued to High Trail ON on February 2, 2021;

(ix) the form of warrant (penny warrant) issued to High Trail SA on February 8, 2021;

(x) the form of warrant issued to High Trail SA on February 8, 2021;

(xi) the form of warrant issued to High Trail SA and High Trail ON on April 8, 2021;

(xii) the Amended and Restated Certificate of Incorporation of the Company, as amended from time to time, as certified by the Office of the Secretary of State of the State of Delaware on May 28, 2021;

(xiii) the Second Amended and Restated Bylaws of the Company as presently in effect, as certified by an officer of the Company as of May 28, 2021; and

(xiv) a certificate, dated as of May 28, 2021, from the Office of the Secretary of State of the State of Delaware as to the existence and good standing of the Company in the State of Delaware (the "***Good Standing Certificate***").

In addition to the foregoing, we have made such investigations of law as we have deemed necessary or appropriate as a basis for the opinion set forth in this opinion letter.

In such examination and in rendering the opinion expressed below, we have assumed, without independent investigation or verification: (i) the genuineness of all signatures on all agreements, instruments, corporate records, certificates and other documents submitted to us; (ii) the authenticity and completeness of all agreements, instruments, corporate records, certificates and other documents submitted to us as originals; (iii) that all agreements, instruments, corporate records, certificates and other documents submitted to us as certified, electronic, facsimile, conformed, photostatic or other copies conform to originals thereof, and that such originals are authentic and complete; (iv) the legal capacity and authority of all persons or entities (other than the Company) executing all agreements, instruments, corporate records, certificates and other documents submitted to us; (v) the due authorization, execution and delivery of all agreements, instruments, corporate records, certificates and other documents by all parties thereto (other than the Company); (vi) that no documents submitted to us have been amended or terminated orally or in writing except as has been disclosed to us in writing; (vii) that the statements contained in the certificates and comparable documents of public officials, officers and representatives of the Company and other persons on which we have relied for the purposes of this opinion letter are true and correct; (viii) that there has not been any change in the good standing status of the Company from that reported in the Good Standing Certificate; and (ix) that each of the officers and directors of the Company has properly exercised his or her fiduciary duties. As to all questions of fact material to this

opinion letter, and as to the materiality of any fact or other matter referred to herein, we have relied (without independent investigation or verification) upon representations and certificates or comparable documents of officers and representatives of the Company. Our knowledge of the Company and its legal and other affairs is limited by the scope of our engagement, which scope includes the delivery of this opinion letter. We do not represent the Company with respect to all legal matters or issues. The Company may employ other independent counsel and, to our knowledge, handles certain legal matters and issues without the assistance of independent counsel.

Based upon the foregoing, and in reliance thereon, and subject to the assumptions, limitations, qualifications and exceptions set forth herein, we are of the opinion that: (i) the Issued Shares are validly issued, fully paid and nonassessable; and (ii) the Warrant Shares, when issued, delivered and paid for in accordance with the terms of the Warrants, will be validly issued, fully paid and nonassessable.

Without limiting any of the other limitations, exceptions and qualifications stated elsewhere herein, we express no opinion with regard to the applicability or effect of the laws of any jurisdiction other than the General Corporation Law of the State of Delaware, as in effect on the date of this opinion letter.

This opinion letter deals only with the specified legal issues expressly addressed herein, and you should not infer any opinion that is not explicitly stated herein from any matter addressed in this opinion letter.

This opinion letter is rendered solely in connection with the registration of the Shares for resale by the Selling Stockholders under the Registration Statement. This opinion letter is rendered as of the date hereof, and we assume no obligation to advise you or any other person with regard to any change after the date hereof in the circumstances or the law that may bear on the matters set forth herein after the effectiveness of the Registration Statement, even if the change may affect the legal analysis or a legal conclusion or other matters in this opinion letter.

We hereby consent to the filing of this opinion letter as Exhibit 5.1 to the Registration Statement. In giving such consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules or regulations of the Commission thereunder.

Very truly yours,

/s/ Paul Hastings LLP

Exhibit 10.7

AMENDED AND RESTATED ATERIAN, INC. 2019 EQUITY PLAN

Plan Document

Adopted by the Board of Directors: March 20, 2019

1. **General.**

(a) *Purpose*. Aterian, Inc. (the "***Company***") hereby establishes this "Amended and Restated Aterian, Inc. 2019 Equity Plan" (this "***Plan***"). This Plan is intended: (i) to retain the best available personnel to ensure the Company's success and accomplish the Company's goals; and (ii) to incentivize Employees, Directors, and Consultants with long-term, equity-based compensation to align their interests with the interests of the Company's stockholders, in both cases by providing for additional compensation for which value will be recognized in connection with a liquidity event.

(b) *Eligible Award Recipients*. Employees and Consultants (together, "***Eligible Persons***") may receive Awards of Restricted Shares, subject to the terms of this Plan.

(c) *Definitions*. Capitalized terms in this Plan are defined in Section 22.

(d) *Effective Date*. This Plan shall become effective on the date it is approved by the Board.

(e) *Effect on Other Plans, Awards, and Arrangements*. No payment pursuant to this Plan shall be taken into account in determining any benefits under any Company or any Affiliate benefit plan, except to the extent otherwise expressly provided in writing in such other plan.

2. **Shares Available for Awards.**

(a) *Share Reserve; In General*. A total of 9,461,538 Shares may be issued under this Plan, subject to Section 9 below (the "***Share Reserve***"). The Shares deliverable pursuant to Awards shall be authorized but unissued or reacquired Shares, including Shares that the Company repurchased on the open market or otherwise, or that the Company otherwise holds in treasury or trust.

(b) *Replenishment; Counting of Shares*. Notwithstanding Section 2(a), Shares withheld in connection with any Withholding Taxes or payment of purchase price relating to an Award shall not be available for new Awards under this Plan, and Shares tendered by a Participant in satisfaction of Withholding Taxes or payment of purchase price shall not be available for future Awards under this Plan.

3. **Eligibility.**

(a) *General Rule*. The Committee shall determine which Eligible Persons may receive Awards. Each Award shall be evidenced by an Award Agreement that: sets forth the Grant Date and all other terms and conditions of the Award; is signed on behalf of the Company; and (unless waived by the Committee) is signed by the Eligible Person in acceptance of the Award. The grant of an Award shall not obligate the Company or any Affiliate to continue the employment or service of any Eligible Person, or to provide any future Awards or other remuneration at any time thereafter.

(b) *Consultants*. A Consultant is eligible for an Award only if, at grant, the offer and/or sale of Company securities to the Consultant is exempt under Rule 701 or satisfies another exemption under the Securities Act of 1933, as amended, and complies with all other Applicable Law.

4. **Reserved.**

5. **Restricted Shares.**

(a) *Grant*. The Committee may grant Restricted Shares to Eligible Persons, in all cases pursuant to Award Agreements, setting forth terms and conditions consistent with this Plan. As to each Restricted Share Award, the Committee shall establish the number of Shares deliverable or subject to the Award (which may be determined by a written formula), and the period(s) of time at the end of which all or some restrictions specified in an Award Agreement shall lapse, and the Participant shall receive vested Shares (or cash to the extent provided in the Award Agreement) in settlement of the Award. Such conditions may include restrictions concerning voting rights and transferability, and may lapse separately or in combination at such times and pursuant to such circumstances or based on such criteria as selected by the Committee, including, without limitation, criteria based on the Participant's duration of Continuous Service; individual, group, or divisional performance criteria; or Company performance. Subject to applicable law, the Committee may make Restricted Share Awards with or without the requirement for payment of consideration.

(b) *Vesting and Forfeiture*. In an Award Agreement granting Restricted Shares, the Committee shall set forth the terms and conditions that establish a "substantial risk of forfeiture" under Code Section 83, and when the Participant's interest in the Restricted Shares become vested and non-forfeitable. Except as set forth in the Award Agreement or as the Committee otherwise determines, the Participant shall forfeit his or her non-vested Restricted Shares upon termination of his or her Continuous Service for any reason. Notwithstanding the foregoing, if the Company has a contingent contractual obligation to provide for accelerated vesting of Restricted Shares after termination of a Participant's Continuous Service, such Restricted Shares shall remain outstanding until the maximum contractual time for determining whether such contingency will occur, and terminate or be forfeited, as applicable, at such time if the contingency has not then occurred.

(c) *Certificates for Restricted Shares*. Unless otherwise provided in an Award Agreement, the Company shall hold certificates or, if not certificated, other indicia representing Restricted Shares until the restrictions lapse, and, if Restricted Shares are certificated, the Participant shall provide the Company with appropriate stock powers endorsed in blank. The Participant's failure to provide such stock powers within 10 days after a written request from the Company shall entitle the Committee to unilaterally declare all or some of the Participant's Restricted Shares forfeited.

(d) *Section 83(b) Elections*. A Participant may not make an election under Code Section 83(b) with respect to Restricted Shares issued under this Plan.

(e) *Issuance of Shares upon Vesting*. As soon as practicable after a Participant's Restricted Shares vest, the Company shall deliver to the Participant, free from vesting restrictions, one Share for each surrendered and vested Restricted Share, unless an Award Agreement provides otherwise and subject to Section 7 regarding Withholding Taxes. No fractional Shares shall be distributed, and cash shall be paid in lieu thereof; ***provided, however,*** the Committee may provide that fractional Shares shall accumulate.

6. **Reserved.**

7. **Taxes; Withholding; Code Section 409A.**

(a) *General Rule*. Notwithstanding any provision of this Plan or an Award Agreement to the contrary, Participants are solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with Awards, and neither the Company, nor the Committee, nor any Affiliate, nor any of their employees, directors, or agents shall have any duty or obligation to mitigate, minimize, indemnify, or to otherwise hold any Participant harmless from any such consequences.

(b) *Withholding*. The Company's obligation to deliver Shares (or to pay cash) to Participants pursuant to Awards is at all times subject to their prior or coincident satisfaction of all Withholding Taxes. Except as otherwise provided under this Plan or in an Award Agreement, no later than the date as of which an amount first becomes includible in a Participant's taxable income for U.S. federal, state, local or non-U.S. income or social insurance tax purposes with respect to an Award, the Participant shall pay to the Company (or to the Affiliate employing the Participant), or make arrangements satisfactory to the Company (or such Affiliate) for the payment of, any such Withholding Taxes (which normally will not apply to non-Employees). Notwithstanding the foregoing, the Company and its Affiliates may, in each of their sole discretion, withhold a sufficient number of Shares that are otherwise issuable to the Participant pursuant to the Award (and/or cash that is otherwise payable to the Participant) in order to satisfy all or part of Withholding Taxes.

(c) *U.S. Code Section 409A*. To the extent that the Committee determines that any Award granted under this Plan is subject to Code Section 409A, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Code Section 409A. To the extent applicable, this Plan and Award Agreements shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder. The Committee may adopt such amendments to this Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies, and procedures or cancelling all or some Awards with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate (i) to exempt an Award from Code Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (ii) to comply with the requirements of Code Section 409A and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under Code Section 409A.

(d) *Unfunded Tax Status*. This Plan is an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Person pursuant to an Award, nothing in this Plan or any Award Agreement shall give the Person any rights greater than those of a general creditor of the Company or any Affiliate, and a Participant's rights under this Plan at all times constitute an unsecured claim against the Company's general assets for the collection of benefits as they come due. Neither the Participant nor his or her duly-authorized transferee or Beneficiaries shall have any claim against nor rights in any specific assets, Shares, or other funds of the Company, except as may be the case with respect to Restricted Shares.

8. **Non-Transferability of Awards.**

(a) *General*. Except as set forth in this Section, or as otherwise approved by the Committee and subject to restrictions on transfer contained in the Bylaws or other organizational documents of the Company, Awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a death Beneficiary by a Participant will not constitute a transfer.

(b) *Limited Transferability Rights*. Subject to restrictions on transfer contained in the Bylaws or other organizational documents of the Company, an Award in the form of Restricted Shares may be transferred, on such terms and conditions as the Committee deems appropriate, either (i) by instrument to the Participant's Immediate Family, (ii) by instrument to an inter vivos or testamentary trust (or other entity) in which the Award is to be passed to the Participant's designated Beneficiaries, (iii) pursuant to a domestic relations order, or (iv) by gift to charitable institutions. Any transferee of the Participant's rights shall succeed and be subject to all of the terms of the applicable Award Agreement and this Plan.

(c) *Death*. In the event of the death of a Participant, any outstanding vested Awards issued to the Participant shall automatically be transferred to the Participant's Beneficiary (or, if no Beneficiary is designated or surviving, to the person or persons to whom the Participant's rights under the Award pass by will or the laws of descent and distribution in the state in which the Participant was domiciled at the time of his or her death).

(d) *Lapsing of Restrictions*. For the avoidance of doubt, the limitations in this Section 8 shall expire with respect to vested Shares upon an Initial Public Offering.

9. **Change in Capital Structure; Change in Control; Etc.**

(a) *Changes in Capitalization*. The Committee shall equitably adjust the number of Shares covered by each outstanding Award, and the number of Shares that have been authorized for issuance under this Plan, but as to which no Awards have yet been granted, or that have been returned to this Plan upon cancellation, forfeiture, or expiration of an Award, or any other Plan limits, as well as the purchase price per Share covered by each such outstanding Award, to reflect any increase or decrease in the number of issued Shares resulting from a stock-split, reverse stock-split, stock dividend, combination, recapitalization, or reclassification of the Shares, merger, consolidation, change in organization form, or any other increase or decrease in the number of issued Shares effected without receipt or payment of consideration by the

Company. In the event of any such transaction or event, the Committee may provide in substitution for any or all outstanding Awards, or as an alternative to an adjustment, such alternative consideration (including cash or securities of any surviving entity) as it may in good faith determine to be equitable under the circumstances and may, if substitute consideration is provided, require in connection therewith the surrender of all Awards so substituted. In any case, such substitution of consideration shall not require the consent of any Participant.

(b) *Dissolution or Liquidation*. Except as otherwise provided in an Award Agreement, in the event of the dissolution or liquidation of the Company, other than as part of a Change in Control, each Award will terminate immediately prior to the consummation of such dissolution or liquidation, subject to the ability of the Committee to exercise any discretion authorized in the case of a Change in Control.

(c) *Change in Control*. In the event of a Change in Control each outstanding Award shall vest in full, and the Participant shall be entitled to receive the same per-Share consideration as is paid in respect of Shares generally.

10. **Termination, Rescission, and Recapture of Awards.**

(a) Each Award under this Plan is intended to align the Participant's long-term interests with those of the Company. Accordingly, unless otherwise expressly provided in an Award Agreement, the Committee may terminate any outstanding, unexpired, or unpaid Awards ("***Termination***"), rescind any payment or delivery pursuant to the Award ("***Rescission***"), or recapture any Shares or proceeds from the Participant's sale of Shares issued pursuant to the Award ("***Recapture***"), if the Participant does not comply with the conditions of subsections 10(b), 10(c), and 10(e) (collectively, the "***Conditions***") at all times from the date of an Award through its vesting.

(b) A Participant shall not, without the Company's prior written authorization, disclose to anyone outside the Company, or use in other than the Company's business, any proprietary or confidential information or material, as those or other similar terms are used in any applicable patent, confidentiality, inventions, secrecy, or other agreement between the Participant and the Company or one of its Affiliates (or policy applicable to the Participant), including but not limited to those with regard to proprietary or confidential information or intellectual property (including but not limited to patents, trademarks, copyrights, trade secrets, inventions, developments, improvements, proprietary information, confidential business, and personnel information) (each a "***Confidentiality Agreement***"), and a Participant shall promptly disclose and assign to the Company or its designee all right, title, and interest in such intellectual property, and shall take all reasonable steps necessary to enable the Company to secure all right, title, and interest in such intellectual property in the United States and in any foreign country. Notwithstanding the Participant's confidentiality obligations set forth in this Plan or any Confidentiality Agreements, pursuant to the Defend Trade Secrets Act of 2016, the Participant will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If the

Participant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, he or she may disclose the trade secret to his or her attorney and use the trade secret information in the court proceeding, if he or she: (1) files any document containing the trade secret under seal; and (2) does not disclose the trade secret, except pursuant to court order. In the event it is determined that disclosure of Company trade secrets was not done in good faith pursuant to the above, the Participant may be subject to substantial damages under federal criminal and civil law, including punitive damages and attorneys' fees.

(c) Upon payment, or delivery of cash or Shares pursuant to an Award, the Participant shall, if requested in writing by the Committee (or the Company), certify on a form acceptable to the Committee (or, if applicable, the Company) that he or she is in compliance with the terms and conditions of this Plan.

(d) The Committee may, in its sole and absolute discretion, impose a Termination, Rescission, and/or Recapture with respect to any or all of a Participant's relevant Awards or restricted Shares if the Committee determines, in its sole and absolute discretion that (i) the Participant has materially violated any agreement between the Participant and the Company or one of its Affiliates, (ii) within six months after the termination of the Participant's Continuous Service, the Participant has solicited any non-administrative employee of the Company to terminate employment with the Company, or (iii) during his or her Continuous Service, a Participant: (A) has rendered services to or otherwise directly or indirectly engaged in or assisted any organization or business that, in the judgment of the Committee, in its sole and absolute discretion, is or is working to become competitive with the Company or one of its Affiliates; (B) has solicited any non-administrative employee of the Company to terminate employment with the Company; or (C) has engaged in activities which are materially prejudicial to or in conflict with the interests of the Company, including any breaches of fiduciary duty or the duty of loyalty.

(e) Within 10 days after receiving notice from the Committee of any such activity described in Section 10(d) above, the Participant shall deliver to the Company the Shares acquired pursuant to the Award, or, if Participant has sold the Shares, the gain realized, or payment received as a result of the rescinded exercise, payment, or delivery. Any payment by the Participant to the Company pursuant to this Section 10 shall be made either in cash or by returning to the Company the number of Shares that the Participant received in connection with the rescinded exercise, payment, or delivery.

(f) Notwithstanding the foregoing provisions of this Section 10, the Committee has sole and absolute discretion not to require Termination, Rescission, and/or Recapture, and its determination not to require Termination, Rescission, and/or Recapture with respect to any particular act by a particular Participant or Award shall not in any way reduce or eliminate the Committee's authority to require Termination, Rescission, and/or Recapture with respect to any other act or Participant or Award. Nothing in this Section 10 shall be construed to impose obligations on the Participant to refrain from engaging in lawful competition with the Company after the termination of Continuous Service that does not violate the Conditions, other than any obligations that are part of any separate agreement between the Company and the Participant or that arise under Applicable Law.

(g) If any provision within this Section 10 is determined to be unenforceable or invalid under any Applicable Law, such provision will be applied to the maximum extent permitted by Applicable Law, and shall automatically be deemed amended in a manner consistent with its objectives and any limitations required under Applicable Law.

(h) This Section 10 shall is supplemental to, and does not supersede, any other written agreement between the Participant, on the one hand, and the Company or any of its Affiliates, on the other hand.

11. **Recoupment of Awards.**

(a) Unless otherwise specifically provided in an Award Agreement, and to the extent permitted by Applicable Law, the Committee may in its sole and absolute discretion, without obtaining the approval or consent of the Company's stockholders or of any Participant, require that any Participant reimburse the Company for all or any portion of any Awards granted under this Plan ("***Reimbursement***"), or the Committee may require the Termination or Rescission of, or the Recapture relating to, any Award held by the Participant, if and to the extent in the Committee's view the Participant engaged in fraud or misconduct that caused or partially caused the need for a material financial restatement by the Company or any Affiliate; or

Notwithstanding any other provision of this Plan, all Awards shall be subject to Reimbursement, Termination, Rescission, and/or Recapture to the extent required by Applicable Law, including but not limited to Section 10D of the Exchange Act.

12. **Administration of this Plan.**

(a) *In General*. The Committee shall administer this Plan in accordance with its terms, *provided* that the Board may act in lieu of the Committee on any matter. The Committee shall hold meetings at such times and places as it may determine and may prescribe, amend, and rescind such rules and regulations, and procedures for the conduct of its business as it deems advisable. In the absence of a Committee, the Board shall function as the Committee for all purposes of this Plan.

(b) *Committee Composition*. The Board shall appoint the members of the Committee. Subject to Applicable Law and the restrictions set forth in this Plan, the Committee may delegate administrative functions to individuals who are Directors or Employees, and may authorize one or more executive officers to make Awards to Eligible Persons other than themselves. The Board may at any time appoint additional members to the Committee, remove and replace members of the Committee with or without Cause, and fill vacancies on the Committee however caused. The Committee shall have the power to delegate to a subcommittee of the Board any of the administrative powers the Committee is authorized to exercise, subject to such resolutions, consistent with this Plan, as the Board may adopt from time to time.

(c) *Powers of the Committee*. Subject to the provisions of this Plan, the Committee shall have the authority, in its sole discretion:

(i) to grant Awards and to determine Eligible Persons to whom Awards shall be granted from time to time, and the number of Shares, units, or dollars to be covered by each Award;

(ii) to determine, from time to time, the Fair Market Value of Shares;

(iii) to determine, and to set forth in Award Agreements, the terms and conditions of all Awards, including any applicable purchase price; the installments and conditions under which an Award shall become vested (which may be based on performance), terminated, expired, cancelled, or replaced; the circumstances for vesting acceleration or waiver of forfeiture restrictions; and other restrictions and limitations;

(iv) to approve the forms of Award Agreements and all other documents, notices, and certificates in connection therewith, which need not be identical either as to type of Award or among Participants;

(v) to construe and interpret the terms of this Plan and any Award Agreement, to determine the meaning of their terms, to correct any defect, omission, or inconsistency in this Plan or any Award Agreement, in a manner and to the extent it shall deem necessary or expedient to make this Plan or an Award fully effective, and to prescribe, amend, and rescind rules and procedures relating to this Plan and its administration;

(vi) to the extent consistent with the purposes of this Plan and without amending this Plan, to modify, to cancel, or to waive the Company's rights with respect to any Awards, to adjust or to modify Award Agreements for changes in Applicable Law, and to recognize differences in foreign law, tax policies, or customs;

(vii) to require, as a condition precedent to the grant, vesting, settlement, and/or issuance of Shares pursuant to any Award, that a Participant agree to execute a general release of claims (in any form that the Committee may require, in its sole discretion, which form may include any other provisions, e.g., confidentiality and restrictions on competition, that are found in general claims release agreements that the Company utilizes or expects to utilize);

(viii) in the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting, settlement, or exercise of Awards, such as a system using an Internet website or interactive voice response, to implement paperless documentation, granting, settlement, or exercise of Awards by a Participant through the use of such an automated system; and

(ix) to make all determinations and to take all other actions that the Committee may consider necessary or desirable to administer this Plan or to effectuate its purposes.

(d) *Powers of the Company*. Unless applicable law requires otherwise, all administrative and discretionary authority given to the Company under this Plan shall be exercised by the most senior human resources executive of the Company, or such other person or committee (including without limitation the Committee) as the Committee may designate from time to time.

(e) *Local Law Adjustments and Sub-plans*.

(i) To facilitate the making of any grant of an Award under this Plan, the Committee may adopt rules and provide for such special terms for Awards to Participants who are located within the United States, foreign nationals, or employed by the Company or any Affiliate outside of the United States of America as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy, or custom. Without limiting the foregoing, the Committee is specifically authorized to adopt rules and procedures regarding the conversion of local currency, taxes, withholding procedures, and handling of stock certificates, which vary with the customs and requirements of particular countries. The Committee may adopt procedures or sub-plans and establish escrow accounts and trusts, and settle Awards in cash in lieu of shares, as may be appropriate, required, or applicable to particular locations and countries.

(ii) *Action by Committee* (e.g., to permit participation in this Plan by Eligible Persons who are non-United States nationals or are primarily employed or providing services outside the United States). The Committee may modify the terms of any Award under this Plan made to or held by a Participant who is then a resident, or is primarily employed or providing services, outside of the United States, in any manner deemed by the Committee to be necessary or appropriate in order that such Award shall conform to laws, regulations, and customs of the country in which the Participant is then a resident or primarily employed or providing services, or so that the value and other benefits of the Award to the Participant, as affected by non-United States tax laws and other restrictions applicable as a result of the Participant's residence, employment, or providing services abroad, shall be comparable to the value of such Award to a Participant who is a resident, or is primarily employed or providing services, in the United States. An Award may be modified under this subsection in a manner that is inconsistent with the express terms of this Plan, so long as such modifications will not contravene any Applicable Law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Award is modified. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by an officer or other Employee of the Company or any Affiliate, the Company's independent certified public accountants, or any executive compensation Consultant or other professional retained by the Company or the Committee to assist in the administration of this Plan, or by any Participant or Beneficiary.

(f) *Deference to Committee Determinations*. The Committee shall have the discretion to interpret or construe ambiguous, unclear, or implied (but omitted) terms as it deems to be appropriate in its sole discretion, and to make any findings of fact needed in the administration of this Plan or Award Agreements. The Committee's prior exercise of its discretionary authority shall not obligate it to exercise its authority in a like fashion thereafter. The Committee's interpretation and construction of any provision of this Plan, or of any Award or Award Agreement, and all determinations the Committee makes pursuant to this Plan shall be final, binding, and conclusive (subject only to the Committee's inherent authority to change its determinations). The validity of any such interpretation, construction, decision or finding of fact shall not be given de novo review if challenged in court, by arbitration, or in any other forum, and shall be upheld unless clearly made in bad faith or materially affected by fraud.

(g) Any determination made by the Committee with respect to any provisions of this Plan may be made on an Award-by-Award basis; the Committee has no obligation to be uniform, consistent, or nondiscriminatory between classes of similarly-situated Awards, except as required by Applicable Law.

(h) *Claims Limitations Period.* Any Participant who believes he or she is being denied any benefit or right under this Plan or under any Award may file a written claim with the Committee. Any claim must be delivered to the Committee within 45 days of the specific event-giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims shall be deemed denied if the Committee does not respond in writing within 120 days of the date the written claim is delivered to the Committee. The Committee's decision is final and conclusive, and binding on all persons. No lawsuit relating to this Plan may be filed before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

(i) *No Liability; Indemnification*. Neither the Board nor any Committee member, nor any Person acting at the direction of the Board or the Committee, shall be liable for any act, omission, interpretation, construction, or determination made in good faith with respect to this Plan, any Award, or any Award Agreement. The Company shall pay or reimburse any Director, Employee, or Consultant who in good faith takes action on behalf of this Plan, for all expenses incurred with respect to this Plan, and to the full extent allowable under Applicable Law shall indemnify each and every one of them for any claims, liabilities, and costs (including reasonable attorney's fees) arising out of their good faith performance of duties on behalf of this Plan. The Company and its Affiliates may, but shall not be required to, obtain liability insurance for this purpose.

(j) *Expenses*. The Company shall bear the expenses of administering this Plan.

13. **Modification of Awards.**

Within the limitations of this Plan, the Committee may modify an Award to accelerate the vesting of any Award, to extend or renew outstanding Awards, or to make any change that this Plan would permit for a new Award. Notwithstanding the foregoing, no modification of an outstanding Award may materially and adversely affect a Participant's rights thereunder unless (a) the Participant provides written consent to the modification, or (b) such modification is permitted by another Section of this Plan or (c) such modification applies uniformly to all Participants and is approved by Participants holding Awards covering at least 70% of the Shares subject to Awards issued under the Plan. Notwithstanding the foregoing, subject to the limitations of Applicable Law, if any, and without the affected Participant's consent, the Board may amend the terms of any one or more Awards if necessary to bring the Award into compliance with Section 409A of the Code.

14. **Plan Amendment and Termination.**

The Board may amend or terminate this Plan as it shall deem advisable; *provided* that no change shall be made that increases the total number of Shares reserved for issuance pursuant to Awards (except pursuant to Section 9 above), unless such change is authorized by the stockholders of the Company to the extent required by Applicable Law. A termination or amendment of this Plan shall not materially and adversely affect a Participant's rights under an Award previously granted to him or her unless the Participant consents in writing to such termination or amendment. Notwithstanding the foregoing, the Committee may amend this Plan to comply with changes in tax or securities laws or regulations, or in the interpretation thereof.

15. **Term of Plan.**

If not sooner terminated by the Board, this Plan shall terminate at the close of business on March 20, 2022. No Awards shall be made under this Plan after its termination.

16. **Governing Law.**

The terms of this Plan and all agreements hereunder shall be governed by the laws of the State of Delaware, without regard to the State's conflict of laws rules.

17. **Laws and Regulations.**

(a) *General Rules*. This Plan, the granting of Awards, and the obligations of the Company and Committee hereunder (including those to pay cash or to deliver, sell or accept the surrender of any of its Shares or other securities) shall be subject to all Applicable Law. In the event that any Shares are not registered under any Applicable Law prior to the required delivery of them pursuant to Awards, the Committee may require, as a condition to their issuance or delivery, that the persons to whom the Shares are to be issued or delivered make any written representations and warranties (such as that such Shares are being acquired by the Participant for investment for the Participant's own account and not with a view to, for resale in connection with, or with an intent of participating directly or indirectly in, any distribution of such Shares) that the Committee may reasonably require, and the Committee may in its sole discretion include a legend to such effect on the certificates representing any Shares issued or delivered pursuant to this Plan.

(b) *Blackout Periods*. Notwithstanding any contrary terms within this Plan or any Award Agreement, the Committee shall have the absolute discretion to impose a "blackout" period on the settlement of any Award, with respect to any or all Participants (including those whose Continuous Service has ended) to the extent the Committee determines that doing so is desirable or required to comply with applicable securities laws.

(c) *Data Privacy*. As a condition of receipt of any Award, each Participant explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of personal data as described in this Section by and among, as applicable, the Company and its Affiliates for the exclusive purpose of implementing, administering, and managing this Plan and Awards and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, the Company and its Affiliates may hold certain personal information about a Participant with respect to one or more Awards under this Plan, including, but not limited to, the Participant's name, home address, telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Affiliates, and details of all Awards (the "***Data***"). In addition to transferring the Data amongst themselves as necessary for the purpose of implementation, administration, and management of this Plan and Awards, and the Participant's participation in this Plan, the Company and its Affiliates each may transfer the Data to any third parties assisting the Company (including the Committee) in the implementation, administration, and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain, and transfer the Data, in electronic or other form, for the purposes of assisting the Company (including the Committee) in the implementation, administration, and management of this Plan and Awards and the Participant's participation in this Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. A Participant may, at any time, view the Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Data with respect to such Participant, recommend any necessary corrections to the Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting such Participant's local human resources representative. The Company or the Committee may cancel the Participant's eligibility to participate in this Plan, and in the Committee's discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

(d) *Severability; Blue Pencil*. In the event that any provision(s) of this Plan shall be or become invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not be affected thereby. If in the opinion of any court of competent jurisdiction such covenants are not reasonable in any respect, such court shall have the right, power, and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended. Any arbitrator shall have the same rights, powers, and authority.

18. ***Reserved.***

19. **No Obligation to Notify.**

The Company and the Committee shall have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award.

20. **Miscellaneous.**

(a) *Use of Proceeds from Sales of Common Stock*. Proceeds from the sale of Shares pursuant to Awards shall constitute general funds of the Company.

(b) *Corporate Action Constituting Grant of Awards*. Unless otherwise determined by the Board, corporate action constituting a grant by the Company of an Award to any Participant shall be deemed completed as of the date of such corporate action, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant.

21. **Pre-IPO Provisions.**

Subject to any contrary terms set forth in any Award Agreement, for any period preceding the date of the Initial Public Offering, this Section shall be applicable to any Shares subject to or issued pursuant to Awards. The provisions set forth below shall become null and void upon the occurrence of the Initial Public Offering.

(a) *Stockholders' Agreement*. As a condition for the delivery of any Shares pursuant to any Award, the Committee may require the Participant to execute and be bound by any agreement that generally exists between the Company and similarly-situated stockholders.

(b) *Market Stand-Off*. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the federal securities laws, including the Initial Public Offering, Participants shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant, or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose or transfer, or agree to engage in any of the foregoing transactions with respect to, any Shares acquired pursuant to Awards without the prior written consent of the Company or its underwriters. Such restriction (the "***Market Stand-Off***") shall be in effect for such period of time, not exceeding 180 days, following the date of the final prospectus for the offering as may be requested by the Company or such underwriters. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted, or additional securities, which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to such Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired pursuant to Awards until the end of the applicable stand-off period. The Company and its underwriters shall be beneficiaries of the agreement in this Section. Participants who are not Directors or officers shall be subject to this Section only if Directors and officers are subject to it.

(c) *California Law Provisions*. In order to conform with Applicable Laws for Awards to California residents, to the extent required by Section 260.140.8 of Title 10 of the California Code of Regulations, and to the extent compliance with such section is required for the Shares subject to the Award to be exempt from registration in California, any repurchase right granted prior to the date on which the Shares become publicly-traded to a person who is not an officer, Director or Consultant shall be upon the following terms:

(i) if the repurchase option gives the Company the right to repurchase the Shares upon termination of Continuous Service at not less than the Fair Market Value of the Shares to be purchased on the date of termination of Continuous Service, then:

(A) the right to repurchase shall be exercised for cash or cancellation of purchase money indebtedness for the Shares within six months of termination of Continuous Service, and

(B) the right terminates when the Shares become publicly traded; or

(ii) if the repurchase option gives the Company the right to repurchase the Shares upon termination of the Participant's Continuous Service at the original purchase price for such Shares, then:

(A) the right to repurchase at the original purchase price shall lapse at the rate of at least 20% of the Shares per year over five years from the Date of Grant, and

(B) the right to repurchase must be exercised for cash or cancellation of purchase money indebtedness for the Shares within six months of termination of Continuous Service or such longer period as may be agreed to by the Company and the Participant.

22. **Definitions.**

"***Affiliate***" means, with respect to any Person, any other Person that directly or indirectly controls or is controlled by or under common control with such Person. For the purposes of this definition, "control," when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person or the power to elect directors, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling," and "controlled" have meanings correlative to the foregoing.

"***Applicable Law***" means the legal requirements as shall be in place from time to time under any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree, or order of any governmental authority, whether of the United States, any other country, and any provincial, state, or local subdivision, that relate to the administration of equity plans or equity awards, as well as any applicable stock exchange or automated quotation system rules or regulations.

"***Award***" means any award of Restricted Shares made, in writing or by an electronic medium, pursuant to this Plan.

"***Award Agreement***" means any written document (including in any electronic medium) setting forth the terms of an Award that has been authorized by the Committee. The Committee shall determine the form or forms of documents to be used, and may change them from time to time for any reason.

"***Beneficiary***" means the person or entity designated by the Participant, in a form approved by the Company, to exercise the Participant's rights with respect to an Award or receive payment or settlement under an Award after the Participant's death.

"***Board***" means the Board of Directors of the Company.

"***Cause***" shall mean, after the Effective Date:

(i) the Participant has been convicted of, pled guilty or no contest to or entered into a plea agreement with respect to (x) any felony (under the laws of the United States, any relevant state, or the equivalent of a felony in any international jurisdiction in which the Company does business) or (y) any crime involving dishonesty or moral turpitude;

(ii) the Participant has engaged in (A) any willful misconduct (including any violation of federal securities laws) or gross negligence, or (B) any act of dishonesty, violence or threat of violence, in each case with respect to this clause (B), that would reasonably be expected to result in a material injury to the Corporation;

(iii) the Participant willfully fails to perform the Participant's duties to the Company and/or willfully fails to comply with lawful directives of the Company's board of directors; or

(iv) the Participant materially breaches any material contract to which the Participant and the Company are parties;

provided that, with respect to clause (iv) and if the event giving rise to the claim of Cause is curable, the Company provides written notice to the Participant of the event within thirty (30) days of the Company learning of the occurrence of such event, and such Cause event remains uncured thirty (30) days after the Company has provided such written notice; provided further that any termination of the Participant's employment or service for "Cause" with respect to clause (iv) occurs no later than thirty (30) days following the expiration of such cure period.

"***Change in Control***" means, unless another definition is set forth in an Award Agreement, the first of the following to occur after the Effective Date:

(i) *Acquisition of Controlling Interest*. Any Person (other than Persons who are Employees or service providers at any time more than one year before a transaction) becomes the Beneficial Owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities; ***provided*** that the foregoing shall exclude any bona fide sale of securities of the Company by the Company to one or more third parties for purposes of raising capital. In applying the preceding sentence, an agreement to vote securities shall be disregarded unless its ultimate purpose is to cause what would otherwise be a Change in Control, as reasonably determined by the Board.

(ii) *Change in Board Control*. During any consecutive one-year period commencing after the Initial Public Offering, individuals who constituted the Board at the beginning of the period (or their approved replacements, as defined in the next sentence) cease for any reason to constitute a majority of the Board. A new Director shall be considered an "approved replacement" Director if his or her election (or nomination for election) was approved by a vote of at least a majority of the Directors then still in office who either were Directors at the beginning of the period or were themselves approved replacement Directors, but in either case excluding any Director whose initial assumption of office occurred as a result of an actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board.

(iii) *Merger*. The Company consummates a merger or consolidation of the Company with any other corporation unless: (a) the voting securities of the Company outstanding immediately before the merger or consolidation would continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; and (b) no Person (other than Persons who are Employees or service providers at any time more than one year before the transaction) becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities.

(iv) *Sale of Assets*. The Company sells or disposes of all, or substantially all, of the Company's assets.

(v) *Liquidation or Dissolution*. The stockholders of the Company approve a plan or proposal for liquidation or dissolution of the Company.

Notwithstanding the foregoing, a "***Change in Control***" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following, which (I) the record holders of the common stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions, or (II) any Person who was a Beneficial Owner, directly or indirectly, of securities in the Company representing 50% or more acquires additional securities in the Company, or (III) the Company converting from an incorporated entity to an unincorporated entity.

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

"***Committee***" means the Compensation Committee of the Board or its successor; ***provided*** that the term "Committee" means (a) the Board when acting at any time in lieu of the Committee, (b) with respect to any decision involving an Award intended to satisfy the requirements of Code Section 162(m), a committee consisting of two or more Directors of the Company who are "outside directors" within the meaning of Code Section 162(m), and (c) with respect to any decision relating to a Reporting Person, a committee consisting solely of two or more Directors who are disinterested within the meaning of Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision. The mere fact that a Committee member shall fail to qualify as an "outside director" or as a "disinterested director" within the meaning of Code Section 162(m) and Rule 16b-3, respectively, shall not invalidate any Award made by the Committee, which Award is otherwise validly made under this Plan.

"***Common Stock***" means common stock, $0.0001 par value per share, of the Company. In the event of a change in the capital structure of the Company affecting the common stock (as provided in Section 9), the Shares resulting from such a change in the common stock shall be deemed to be Common Stock within the meaning of this Plan.

"***Company***" means Aterian, Inc., a Delaware corporation; ***provided*** that in the event the Company reincorporates to another jurisdiction, all references to the term "Company" shall refer to the Company in such new jurisdiction.

"***Conditions***" has the meaning set forth in Section 10(a).

"***Confidentiality Agreement***" has the meaning set forth in Section 10(a).

"***Consultant***" means any natural person (other than an Employee or Director), including an advisor, who provides bona fide services to the Company, its parents, its majority-owned subsidiaries or majority-owned subsidiaries of the Company's parent, if such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Company's securities.

"***Continuous Service***" means a Participant's period of service in the absence of any interruption or termination as an Employee, Director, or Consultant. Continuous Service shall not be considered interrupted in the case of: (a) sick leave; (b) military leave; (c) any other leave of absence approved by the Committee, ***provided*** that such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; (d) changes in status from Director to advisory director or emeritus status; or (e) transfers between

locations of the Company or between the Company and its Affiliates. Changes in status between service as an Employee, Director, and a Consultant will not constitute an interruption of Continuous Service if the individual continues to perform bona fide services for the Company. The Committee shall have the discretion to determine whether and to what extent the vesting of any Awards shall be tolled during any paid or unpaid leave of absence; ***provided***, however, that in the absence of such determination, vesting for all Awards shall be tolled during any such unpaid leave (but not for a paid leave).

"***Data***" has the meaning set forth in Section 17(c).

"***Director***" means a member of the Board, or a member of the board of directors of an Affiliate.

"***Disabled***" or "***Disability***" means, with respect to a Participant, if (a) the Participant is rendered incapable because of physical or mental illness of satisfactorily discharging his/her duties and responsibilities to the Company for a period of 90 consecutive days and (b) a duly qualified physician chosen by the Company and reasonably acceptable to the Participant or his/her legal representatives so certifies in writing.

"***Effective Date***" means the date determined in accordance with Section 1(d).

"***Eligible Persons***" has the meaning set forth in Section 1(b).

"***Employee***" means any person whom the Company or any Affiliate classifies as an employee (including an officer) for employment tax purposes or, if in a jurisdiction that does not have employment taxes, any person whom the Company or any Affiliate classifies as an employee (including an officer), in either case whether or not that classification is correct. The payment by the Company of a director's fee to a Director shall not be sufficient to constitute "employment" of such Director by the Company.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Fair Market Value***" means, unless otherwise determined or provided by the Committee in the circumstances:

(vi) If the Shares are listed or admitted to trade on the New York Stock Exchange, The Nasdaq Stock Market LLC or other national securities exchange (the "***Exchange***"), the Fair Market Value shall equal the closing sales price of Shares as reported by the Exchange for securities on the Exchange for the date in question, or, if no sales of Shares were made on the Exchange on that date, the closing sales price of Shares as reported by the Exchange for the next preceding day on which sales of Shares were made on the Exchange.

(vii) If the Shares are not listed or admitted to trade on an Exchange, but are regularly quoted by a recognized securities dealer, but selling prices are not reported, the Fair Market Value shall equal the average of the high and low trading prices of Shares, as reported by such recognized securities dealer for the date in question or the most recent trading day.

(viii) If Shares are not listed or admitted to trade on an Exchange, the Fair Market Value shall be the value as reasonably determined by the Committee for purposes of the Award in the circumstances; provided that Fair Market Value shall be determined pursuant to a valuation of the Company by an independent appraisal that meets the requirements of Section 401(a)(28)(C) of the Code, as of a date that is no more than 12 months before the date of grant of the Award or another methodology for determining fair market value that complies with Section 409A of the Code.

The Committee also may adopt a different methodology for determining Fair Market Value with respect to one or more Awards if a different methodology is necessary or advisable to secure any intended favorable tax, legal or other treatment for the particular Awards (for example, and without limitation, the Committee may provide that Fair Market Value for purposes of one or more Awards will be based on an average of closing sales prices (or the average of high and low daily trading prices) for a specified period preceding the relevant date). Any determination as to Fair Market Value made pursuant to this Plan shall be made without regard to any restriction other than a restriction in which, by its terms, will never lapse, and shall be final, binding and conclusive on all persons with respect to Awards granted under this Plan.

"***Good Reason***" shall mean, after the Effective Date:

(ix) a material diminution in the nature or scope of the Participant's responsibilities, duties or authority;

(x) the Company's material breach of any material contract to which the Participant and the Company are parties;

(xi) the Company's relocation of the Participant's principal place of employment more than fifty (50) miles from the prior location; or

(xii) a reduction in the Participant's base salary or target incentive bonus other than, for both base salary and target incentive bonus individually, a one-time reduction of not more than ten percent (10%) that also is applied to substantially all executive officers of the Company;

provided that, in any such case, the Participant provides written notice to the Company of the event giving rise to such claim of Good Reason within thirty (30) days after the Participant learns of the occurrence of such event, and such Good Reason event remains uncured thirty (30) days after the Participant has provided such written notice; provided further that any resignation of the Participant's employment or service for "Good Reason" occurs no later than thirty (30) days following the expiration of such cure period.

"***Grant Date***" means the later of (a) the date designated as the "Grant Date" within an Award Agreement, and (b) the date on which the Committee determines the key terms of an Award, ***provided*** that as soon as reasonably practical thereafter the Committee both notifies the Eligible Person of the Award and enters into an Award Agreement with the Eligible Person.

"***Immediate Family***" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships. "Immediate Family" also shall include a trust in which these persons have more than 50% of the beneficial interest, a foundation in which these persons (or the employee) control the management of assets, any other entity in which these persons (or the employee) own more than 50% of the voting interests, and any person sharing the employee's household (other than a tenant or employee).

"***Initial Public Offering***" means the closing of the Company's first firm commitment underwritten public offering of Common Stock registered pursuant to an effective registration statement under the Securities Act (other than a registration statement relating solely to the sale of securities to employees of the Company or a registration relating solely to a Securities and Exchange Commission Rule 145 transaction)

"***Involuntary Termination***" means, with respect to a Participant, a termination of the Participant's employment or service by the Company or a Company Subsidiary without Cause, the Participant's resignation for Good Reason, or the termination of the Participant's employment or service with the Company and its Subsidiaries due to death or Disability.

"***Market Stand-Off***" has the meaning set forth in Section 21(b).

"***Person***" means any natural person, association, trust, business trust, cooperative, corporation, general partnership, joint venture, joint-stock company, limited partnership, limited liability company, real estate investment trust, regulatory body, governmental agency or instrumentality, unincorporated organization or organizational entity.

"***Plan***" means this Amended and Restated Aterian, Inc. 2019 Equity Plan, as may be amended or restated from time to time.

"***Recapture***" has the meaning set forth in Section 10(a).

"***Rescission***" has the meaning set forth in Section 10(a).

"***Reimbursement***" has the meaning set forth in Section 11(a).

"***Reporting Person***" means an Employee, Director, or Consultant who is required to file reports with the Securities and Exchange Commission pursuant to Section 16(a) of the Exchange Act and the rules promulgated thereunder.

"***Restricted Share***" means a Share awarded with restrictions imposed under Section 5.

"***Sale of the Company***" means (i) the accumulation, by means of any transaction or series of related transactions, whether directly or indirectly, beneficially or of record, by any individual and/or entity of more than 50% of the outstanding shares of common stock of the Company,

whether by merger, consolidation, sale, issuance or other transfer of shares of the Company's common stock, so long as the Company's holders of common stock as of the Effective Date, immediately after such transaction or series of transactions, hold less than 50% of the common stock of the Company or the voting securities of the surviving or acquiring entity or (ii) a sale of all or substantially all of the assets of the Company, which may include a license transaction; provided, however, that, unless a Qualified IPO has occurred, a transaction shall be a Sale of the Company only if such transaction is a change in the ownership of the Company or a change in the ownership of a substantial portion of the assets of the Company such that the Sale of the Company is a permissible payment under Treasury Regulation 1.409A-3(a)(5).

"***Share***" means a share of Common Stock, as adjusted in accordance with Section 9.

"***Share Reserve***" has the meaning set forth in Section 2(a).

"***Termination***" has the meaning set forth in Section 10(a).

"***Successor Company***" has the meaning set forth in Section 9(c).

"***Unrestricted Shares***" mean Shares that are both awarded to Participants pursuant to Section 5, and not subject to a "substantial risk of forfeiture" within the meaning of Code Section 83.

"***U.S. Taxpayer***" means an Eligible Person who is subject to U.S. taxation.

"***Withholding Taxes***" means the aggregate amount of federal, state, local, and foreign income, social insurance, payroll, and other taxes that the Company and any Affiliates are required or permitted to withhold in connection with any Award.

Exhibit 21.1

List of Subsidiaries of Aterian, Inc.

Name of Subsidiary	Jurisdiction
Aterian Group, Inc.	Delaware
Xtava LLC	Delaware
Sunlabz LLC	Delaware
RIF6 LLC	Delaware
Vremi LLC	Delaware
hOmelabs LLC	Delaware
Vidazen LLC	Delaware
Urban Source LLC	Delaware
Zephyr Beauty LLC	Delaware
Discocart LLC	Delaware
Vueti LLC	Delaware
Punched LLC	Delaware
SweetHomeDealz LLC	Delaware
KitchenVox LLC	Delaware
Exorider LLC	Delaware
Kinetic Wave LLC	Delaware
3GirlsFromNY LLC	Delaware
ChicAlley LLC	Delaware
BoxWhale LLC	Delaware
Aussie Health Co, LLC	Delaware
Holonix LLC	Delaware
Truweo, LLC	Delaware
Spiralizer, LLC	Delaware
PurSteam, LLC	Delaware
Products for Change, LLC	Delaware
Pohl & Schmidt, LLC	Delaware
Mueller Austria, LLC	Delaware
Maison Contempo, LLC	Delaware
KNDirect, LLC	Delaware
Commerce Planet, LLC	Delaware
Chromatic Jammer, LLC	Delaware
Trucom, LLC	Delaware
Posture Products, LLC	Delaware
Rencare, LLC	Delaware
Kitchen Products, LLC	Delaware
Healing Solutions (Remedy) LLC	Delaware
First Hour Commerce (Remedy) LLC	Delaware
Model Trading Company (Remedy) LLC	Delaware
Selection Exchange (Remedy) LLC	Delaware
Finest Screen (Remedy) LLC	Delaware
Sari Foods, LLC	Delaware
Squatty Potty USA LLC	Delaware
Photo Paper Direct, LLC	Delaware
Photo Paper Direct Limited	United Kingdom
Mohawk Innovations Limited Irish Private Limited Co.	Ireland
Shenzhen Mohawk Technology Ltd. Co.	China
Mohawk Innovations Canada Inc.	Canada
Mohawk Group Poland Sp. z.o.o.	Poland
Mohawk Research and Development Ltd.	Israel

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-1 of our report dated March 16, 2021, relating to the financial statements of Aterian, Inc. (formerly known as Mohawk Group Holdings, Inc.). We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

New York, New York
May 28, 2021

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-1 of Aterian, Inc., of our independent auditors' report dated April 13, 2021, relating to the financial statements of Healing Solutions, LLC included in Aterian, Inc.'s Current Report on Form 8-K/A filed with the Securities and Exchange Commission on April 20, 2021.

We also consent to the reference to us under the caption "Experts" in the Prospectus.

/s/ Mayer Hoffman McCann P.C.

Phoenix, Arizona
May 28, 2021

Exhibit 23.3

Consent of Independent Public Accounting Firm

We hereby consent to the incorporation by reference in this Registration Statement on Form S-1 of Aterian, Inc., of our independent auditors' report dated May 5, 2021, relating to the combined carve- out financial statements of 9830 MacArthur, LLC & Subsidiaries ecommerce business under the brands Mueller, Pursteam, Pohl and Schmitt and Spiralizer included in Aterian, Inc.'s Current Report on Form 8-K/A filed with the Securities and Exchange Commission on May 14, 2021

We also consent to the reference to us under the caption "Experts" in the Prospectus.

Boeckermann Grafstrom & Mayer, LLC

BOECKERMANN GRAFSTROM & MAYER, LLC
St. Paul, Minnesota
May 28, 2021

Exhibit 99.1

ATERIAN, INC.

UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED FINANCIAL INFORMATION

Unaudited Pro Forma Condensed, Consolidated, and Combined Financial Information for the Year-Ended December 31, 2020.

On December 1, 2020, Aterian, Inc. (the "Company", "Aterian" or "ATER"), formerly known as Mohawk Group Holdings, Inc., filed with the Securities and Exchange Commission (the "SEC") a Current Report on Form 8-K (the "Initial Form 8-K") to report, among other things, ATER's acquisition (the "Acquisition") on December 1, 2020 of certain assets of 9830 Macarthur LLC, a Wyoming limited liability company ("9830"), Reliance Equities Group, LLC, a Wyoming limited liability company ("Reliance"), and ZN Direct LLC, a Wyoming limited liability company (collectively with 9830 and Reliance, the "Sellers" or "SMASH"), related to the Sellers' ecommerce business under the brands Mueller, Pursteam, Pohl and Schmitt and Spiralizer, which is conducted through certain channels or websites, including amazon.com.

The following unaudited pro forma condensed, consolidated, and combined financial statements of ATER and SMASH (the "pro forma financial statements"), which include an unaudited pro forma condensed, consolidated, and statement of income and loss for the year-ended December 31, 2020 (the "2020 pro forma statement of income and loss"), have been prepared as if the Acquisition had occurred on January 1, 2020.

The pro forma financial information has been prepared by ATER in accordance with Article 11 of Regulation S-X, in accordance with SEC Final Rule Release No. 33-10786, Amendments to Financial Disclosures About Acquired and Disposed Businesses. The pro forma financial information reflects transaction related adjustments that management believes are necessary to present fairly ATER's pro forma results of operations and financial position following the closing of the Acquisition as of and for the period indicated. The transaction-related adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available at this time, reasonable, and reflective of adjustments necessary to report ATER's financial condition and results of operations as if the Acquisition was completed on the assumed dates.

The pro forma financial statements are for informational purposes only and are not intended to represent or to be indicative of the actual results of operations or financial position that the combined ATER and SMASH would have reported had the Acquisition been completed as of the dates set forth in the pro forma financial statements and should not be taken as being indicative of ATER's future consolidated results of operations or financial position.

The pro forma financial statements have been derived from, and should be read in conjunction with, the accompanying notes to the pro forma financial statements included herein and the historical consolidated financial statements and related notes of ATER as of and for the applicable periods, which can be found, along with the annual, quarterly and current reports of ATER, on the SEC's website at http://www.sec.gov. The historical consolidated financial statements and related notes of SMASH as of and for the applicable period were filed with the SEC on May 14, 2021 as an exhibit to Amendment No. 1 on Form 8-K/A, which amends the Initial Form 8-K.

ATERIAN, INC.

UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED STATEMENT OF INCOME AND LOSS

For the Year-Ended December 31, 2020

	Year-Ended December 31, 2020 (in thousands, except share and per share data)							
	ATERIAN	Nine Months Ended September 30, 2020 SMASH	Two Months Ended November 30, 2020 SMASH (1)	Acquisition Adjustments		Financing Adjustments		Pro Forma Combined
NET REVENUE	$ 185,704	$ 62,841	$ 19,876	$ —		$ —		$ 268,421
COST OF GOODS SOLD	100,958	21,594	7,162	1,858	A	—		131,572
GROSS PROFIT	84,746	41,247	12,714	(1,858)		—		136,849
OPERATING EXPENSES:								
Research and development	8,130	—	—	—		—		8,130
Sales and distribution	68,005	29,263	8,296	—		—		105,564
General and administrative	30,631	782	251	2,530	B	—		34,194
Change in fair value of contingent earn-out liabilities	12,731	—	—	—		—		12,731
TOTAL OPERATING EXPENSES:	119,497	30,045	8,547	2,530		—		160,619
OPERATING (LOSS) INCOME	(34,751)	11,202	4,167	(4,388)		—		(23,770)
INTEREST EXPENSE, NET	4,979	—	—	—		8,174	D	13,153
LOSS ON EXTINGUISHMENT OF DEBT	2,037	—	—	—		2,037	D	4,074
CHANGE IN FAIR MARKET VALUE OF WARRANT LIABILITY	21,338	—	—	—		—		21,338
OTHER (INCOME) EXPENSE— net	(27)	—	—	—		—		(27)
(LOSS) INCOME BEFORE INCOME TAXES	(63,078)	11,202	4,167	(4,388)		(10,211)		(62,308)
PROVISION FOR INCOME TAXES	48	—	—	—	C	—		48
NET (LOSS) INCOME	$ (63,126)	$ 11,202	$ 4,167	$ (4,388)		$ (10,211)		$ (62,356)
Net (loss) income per share, basic and diluted	$ (3.68)	$ —	$ —	$ —		$ —		$ (2.92)
Weighted-average number of shares outstanding, basic and diluted	17,167,999	—	—	4,220,000	E	—		21,387,999

(1) Financial information derived from records provided by SMASH

See accompanying notes to unaudited pro forma condensed, consolidated, and combined financial information.

ATERIAN, INC.

NOTES TO UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED FINANCIAL INFORMATION

Note 1—Basis of Presentation

The accompanying pro forma financial statements were prepared in accordance with Article 11 of Regulation S-X and present the 2020 pro forma statement of income and loss of ATER based upon the historical financial statements of ATER and SMASH after giving effect to the Acquisition and are intended to reflect the impact of the Acquisition on ATER's financial statements.

The pro forma financial information has been prepared by ATER in accordance with Article 11 of Regulation S-X, in accordance with SEC Final Rule Release No. 33-10786, Amendments to Financial Disclosures About Acquired and Disposed Businesses. The pro forma financial information reflects transaction related adjustments management believes are necessary to present fairly ATER's pro forma results of operations and financial position following the closing of the Acquisition as of and for the period indicated. The transaction-related adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available at this time, reasonable, and reflective of adjustments necessary to report ATER's financial condition and results of operations as if the Acquisition was completed on the assumed dates.

The pro forma financial statements were prepared using the acquisition method of accounting with ATER considered the accounting acquirer of SMASH. Under the acquisition method of accounting, the purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair values at the acquisition date, with any excess purchase price allocated to goodwill. These preliminary estimates and assumptions are subject to change during the measurement period (up to one year from the acquisition date) as the Company finalizes the valuations of the tangible and intangible assets acquired and liabilities assumed from the Acquisition. These potential changes could be material.

At the time of preparing the pro forma financial statements, the Company is not aware of any other accounting policy differences requiring adjustment that would have a material impact. ATER's management's assessment of SMASH's accounting policies is ongoing, and, upon completion, further differences may be identified that could have a material impact on the pro forma financial statements.

Note 2—Purchase Price Allocation

On December 1, 2020 (the "Closing Date"), the Company acquired the assets of leading e-commerce business brands Mueller, Pursteam, Pohl and Schmitt, and Spiralizer (the "Smash Assets") for total consideration of (i) $25.0 million in cash, (ii) 4,220,000 shares of common stock of the Company, the accounting basis of which was $6.89 (closing stock price at closing of the transaction), of which 164,000 of such shares were issued, pursuant to the instruction of 9830, to Northbound Group in satisfaction of certain broker fees payable by the Sellers to Northbound Group and (iii) a seller note in the amount of $15.8 million, representing the value of certain inventory that the Sellers had paid for but not yet sold as of the Closing Date. In addition, subject to achievement of certain contribution margin thresholds on certain products of the acquired business for the fiscal years ending December 31, 2021 and December 31, 2022, the Sellers shall be entitled to receive earn out payments.

As part of the acquisition of the Smash Assets, the Sellers are entitled to earn-out payments based on the achievement of certain contribution margin thresholds on certain products of the acquired business. Earn-out payments will be due to the Sellers for year one, or calendar year 2021, and year two, or calendar year 2022. During the year-ending December 31, 2021 (year one of the earn-out), the earn-out payment will be calculated based on the contribution margin generated on certain products for an amount equal to $1.67 for every $1.00 of such contribution margin that is greater than $15.5 million and less than or equal to $18.5 million. Such earn-out payment cannot exceed $5.0 million. As of December 1, 2020, the acquisition date, the initial fair value amount of the earn-out payment was appropriately $9.8 million.

The tables below sets forth the purchase consideration and the preliminary allocation to estimated fair value of the tangible and intangible net assets acquired (in thousands):

	Amount allocated (in thousands)
Cash purchase price	$ 25,000
4,220,000 shares of common stock issued at the closing (1)	29,076
Seller note for inventory	15,177
Estimated earnout liability	9,800
Total consideration to be paid	$ 79,053

(1) Based on the accounting basis of $6.89 per share.

	Total (in thousands)
Inventory	$ 16,419
Production deposits	$ 3,382
Accounts Payable and other liabilities	(3,087)
Trademarks (10 year useful life)	27,600
Goodwill	34,739
Net assets acquired	$ 79,053

For the purposes of the preliminary purchase price allocation, the reported values of the assets acquired and liabilities assumed on the assumed first day of the acquisition, January 1, 2020, approximate their fair value, except for the intangible assets acquired. Goodwill is expected to be deductible for tax purposes. The goodwill is attributable to expected synergies resulting from integrating SMASH's products into the Company's existing sales channels.

The identifiable intangible assets acquired in the Acquisition consist of trademarks with estimated useful lives of 10 years. The estimated fair values of these identifiable intangible assets is $27.6 million. The fair value of $27.6 million was determined by the relief from royalty method.

Note 3—Financing Adjustments

Contemporaneously with the closing of the Acquisition, the Company refinanced its $15.0 million term loan with Horizon Technology Finance Corporation ("Horizon Term Loan") through the issuance of a 0% coupon senior secured note (the "Note") to High Trail Investments SA LLC ("High Trail"). The Company received gross proceeds of $38.0 million in exchange for the Note with an aggregate principal amount of $43.0 million. The Note was to be repaid over 24 equal monthly cash payments of $1.8 million. In connection with the issuance of the Note, the Company issued to High Trail a warrant to purchase an aggregate of 2,864,133 shares of the Company's common stock at an exercise price of $9.01 per share (the "Warrant"). The Warrant initially provided that it would be exercisable on June 1, 2021, expire five years from the date of issuance and be exercisable on a cash basis, unless there was not an effective registration statement covering the resale of the shares issuable upon exercise of the Warrant, in which case the Warrant would also be exercisable on a cashless exercise basis at High Trail's election. The Warrant included a provision that gave the Company the right to require High Trail to exercise the Warrant if the price of the common stock of the Company exceeded 200% of the exercise price of the Warrant for 20 consecutive trading days and certain other conditions were satisfied. The Company utilized the Monte-Carlo Simulation model to determine the fair value of the Warrant. As of December 1, 2020, the initial fair value of the Warrant on issuance was $10.5 million, which has been recorded as a debt discount against the Note.

The Note was recorded on the assumed first day of the acquisition, January 1, 2020, as follows:

	January 1, 2020
	(in thousands)
The Note	$ 43,000
Less: deferred debt issuance costs	(2,349)
Less: discount associated with issuance of warrants	(10,483)
Less: discount associated with original issuance of loan	(5,000)
The Warrant	10,483
Total Note	35,651
Less-current portion	(21,600)
Term loan-non current portion	$ 14,051

Further, due to the refinancing of the Horizon Term Loan, the Company recorded a loss on extinguishment of debt of $2.0 million related to the pay-off of the Horizon Term Loan.

During the year-ended December 31, 2020, the following amounts were recorded in interest expense on the 2020 pro forma statement of income and loss:

	Year-Ended December 31, 2020
	(in thousands)
Deferred debt issuance costs	$ 2,349
Amortization included in interest (11 of 24 months - the term of the Note)	(1,077)
Remainder deferred debt issuance costs	$ 1,272

	Year-Ended December 31, 2020
	(in thousands)
Discount associated with issuance of the Warrant	$ 10,483
Amortization included in interest (11 of 24 months - the term of the Note)	(4,805)
Remainder discount associated with issuance of the Warrant	$ 5,678

	Year-Ended December 31, 2020
	(in thousands)
Discount associated with original issuance of the Note	$ 5,000
Amortization included in interest (11 of 24 months - the term of the Note)	(2,292)
Remainder discount associated with original issuance of the Note	$ 2,708

Note 4—Pro Forma Adjustments - Statement of Income and Loss

The pro forma adjustments included in the 2020 pro forma statement of income and loss for the year-ended December 31, 2020 are as follows (in thousands):

A) *Cost of goods sold* was adjusted as follows:

	Year-Ended December 31, 2020
	(in thousands)
Amortization of inventory step-up from valuation of inventory	$ 1,858
Total impacts to Cost of goods sold	$ 1,858

B) *General and administrative expenses* were adjusted as follows:

	Year-Ended December 31, 2020 (in thousands)
Amortization of intangibles (See Note 2)	$ 2,530
Total impacts to General and administrative expenses	$ 2,530

C) No tax provision was recorded as part of this pro forma statement of income and loss as ATER has a full valuation allowance related to its income tax position, and as such a pro forma adjustment would not be realized and thus would not impact pro forma results.

D) *Interest expense* was adjusted as described in Note 3.

E) *Weighted-average number of shares outstanding, basic and diluted* was adjusted to reflect the common stock consideration issued, as described in Note 2.

Exhibit 99.2

ATERIAN, INC.

UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED FINANCIAL INFORMATION

Unaudited Pro Forma Condensed, Consolidated, and Combined Financial Information as of and for the Three Months Ended March 31, 2021.

On February 3, 2021, Aterian, Inc. (the "Company", "Aterian" or "ATER"), formerly known as Mohawk Group Holdings, Inc., filed with the Securities and Exchange Commission (the "SEC") a Current Report on Form 8-K (the "Initial Form 8-K") to report, among other things, Aterian's acquisition (the "Acquisition") on February 2, 2021 of certain assets (the "Healing Solutions Assets") of Healing Solutions, LLC (the "Seller" or "Healing") related to Seller's retail and ecommerce business under the brands Healing Solutions, Tarvol, Sun Essential Oils and Artizen (among others), which is conducted through certain physical locations, virtual channels or websites, including amazon.com.

The following unaudited pro forma condensed, consolidated, and combined financial statements of ATER and Healing (the "pro forma financial statements"), which include an unaudited pro forma condensed, consolidated, and combined statement of income and loss for the three months ended March 31, 2021 (the "pro forma statement of income and loss"), have been prepared as if the Acquisition had occurred on January 1, 2021.

The pro forma financial information has been prepared by ATER in accordance with Article 11 of Regulation S-X, in accordance with SEC Final Rule Release No. 33-10786, Amendments to Financial Disclosures About Acquired and Disposed Businesses. The pro forma financial information reflects transaction related adjustments that management believes are necessary to present fairly ATER's pro forma results of operations and financial position following the closing of the Acquisition as of and for the period indicated. The transaction-related adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available at this time, reasonable, and reflective of adjustments necessary to report ATER's financial condition and results of operations as if the Acquisition was completed on the assumed dates.

The pro forma financial statements are for informational purposes only and are not intended to represent or to be indicative of the actual results of operations or financial position that the combined ATER and Healing would have reported had the Acquisition been completed as of the dates set forth in the pro forma financial statements and should not be taken as being indicative of ATER's future consolidated results of operations or financial position.

The pro forma financial statements have been derived from, and should be read in conjunction with, the accompanying notes to the pro forma financial statements included herein and the historical consolidated financial statements and related notes of ATER as of and for the applicable periods, which can be found, along with the annual, quarterly and current reports of ATER, on the SEC's website at http://www.sec.gov. The historical consolidated financial statements and related notes of Healing as of and for the applicable period were filed with the SEC on April 20, 2021 as an exhibit to Amendment No. 1 on Form 8-K/A, which amends the Initial Form 8-K.

ATERIAN, INC.

UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED STATEMENT OF INCOME AND LOSS

For the Three Months Ended March 31, 2021

	Three Months Ended March 31, 2021 (in thousands, except share and per share data)								
	ATER	One-Month Ended January 31, 2021 Healing Solutions Assets(1)	Reclassification		Acquisition Adjustments		Financing Adjustments		Pro Forma Combined
NET REVENUE	$ 48,136	$ 4,600	$ —		$ —		$ —		$ 52,736
COST OF GOODS SOLD	22,073	1,715	—		—		—		23,788
GROSS PROFIT	26,063	2,885	—		—		—		28,948
OPERATING EXPENSES:									
Research and development	2,124	—	—		—		—		2,124
Sales and distribution	25,069	2,230	145	A	—		—		27,444
General and administrative	10,976	425	(145)	A	191	B	—		11,447
Change in fair value of contingent earn-out liabilities	15,645	—	—		—		—		15,645
TOTAL OPERATING EXPENSES:	53,814	2,655	—		191		—		56,660
OPERATING (LOSS) INCOME	(27,751)	230	—		(191)		—		(27,712)
INTEREST EXPENSE, NET:									
Interest expense, net	4,420	—	—		—		477	D	4,897
CHANGE IN FAIR VALUE OF WARRANT LIABILITY	30,202	—	—		—		—		30,202
LOSS ON INITIAL ISSUANCE OF WARRANT	20,147	—	—		—		—		20,147
OTHER (INCOME) EXPENSE—net	33	—	—		—		—		33
(LOSS) INCOME BEFORE INCOME TAXES	(82,553)	230	—		(191)		(477)		(82,991)
PROVISION FOR INCOME TAXES	—	—	—		—	C	—		—
NET (LOSS) INCOME	$ (82,553)	$ 230	$ —		$ (191)		$ (477)		$ (82,991)
Net (loss) income per share, basic and diluted	$ (3.15)	$ —	$ —		$ —		$ —		$ (3.01)
Weighted-average number of shares outstanding, basic and diluted	26,225,383	—	—		1,387,759	E	—		27,613,142

(1) Financial information derived from records provided by Healing Solutions Assets

See accompanying notes to unaudited pro forma condensed, consolidated, and combined financial information.

ATERIAN, INC.

NOTES TO UNAUDITED PRO FORMA CONDENSED, CONSOLIDATED, AND COMBINED FINANCIAL INFORMATION

Note 1—Basis of Presentation

The accompanying pro forma financial statements were prepared in accordance with Article 11 of Regulation S-X and present the pro forma statement of income and loss of ATER based upon the historical financial statements of ATER and Healing after giving effect to the Acquisition and are intended to reflect the impact of the Acquisition on ATER's financial statements.

The pro forma financial information has been prepared by ATER in accordance with Article 11 of Regulation S-X, in accordance with SEC Final Rule Release No. 33-10786, Amendments to Financial Disclosures About Acquired and Disposed Businesses. The pro forma financial information reflects transaction related adjustments management believes are necessary to present fairly ATER's pro forma results of operations and financial position following the closing of the Acquisition as of and for the period indicated. The transaction-related adjustments are based on currently available information and assumptions management believes are, under the circumstances and given the information available at this time, reasonable, and reflective of adjustments necessary to report ATER's financial condition and results of operations as if the Acquisition was completed on the assumed dates.

The pro forma financial statements were prepared using the acquisition method of accounting with ATER considered the accounting acquirer of Healing. Under the acquisition method of accounting, the purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair values at the acquisition date, with any excess purchase price allocated to goodwill. These preliminary estimates and assumptions are subject to change during the measurement period (up to one year from the acquisition date) as the Company finalizes the valuations of the tangible and intangible assets acquired and liabilities assumed from the Acquisition. These potential changes could be material.

Certain changes to line item descriptions, groupings, and other reclassifications were made to Healing's financial statements to conform to ATER's financial statement presentation and accounting policies. The reclassification adjustments related to the statement of income and loss of Healing (to conform to ATER's presentation) include the reclassification of $0.1 million of "Selling and distribution expenses" from the "General and administrative expenses" line item.

At the time of preparing the pro forma financial statements, the Company is not aware of any other accounting policy differences requiring adjustment that would have a material impact. ATER's management's assessment of Healing's accounting policies is ongoing, and, upon completion, further differences may be identified that could have a material impact on the pro forma financial statements.

Note 2—Purchase Price Allocation

On February 2, 2021 (the "Closing Date"), Aterian entered into and closed, an Asset Purchase Agreement with Healing, Jason R. Hope, and only for the purposes of certain sections thereof, Super Transcontinental Holdings LLC, a Delaware limited liability company (the "Asset Purchase Agreement"). Pursuant to the Asset Purchase Agreement, Aterian purchased and acquired certain of Healings assets related to its retail and ecommerce business under the brands Healing Solutions, Tarvol, Sun Essential Oils and Artizen (among others), which sells essential oils primarily through amazon.com (the "Asset Purchase"). As consideration for the Asset Purchase, Aterian (i) paid to the Seller $15.3 million in cash (the "Cash Purchase Price"), and (ii) issued 1,387,759 shares of common stock of the Company, par value $0.0001 per share ("Common Stock"), to the Seller, the cost basis of which was the closing price per share of the Common Stock on the Closing Date. At the closing of the Asset Purchase (the "Closing"), Aterian withheld $2.0 million of the Cash Purchase Price to serve as collateral for the Seller's payment of certain overdue trade payables to be released to the Seller in accordance with the terms of the Asset Purchase Agreement. This amount was paid by Aterian within 60 days of closing.

In addition, Healing will also be entitled to receive 170,042 shares of Common Stock (up to a maximum of 280,000 shares pursuant to certain terms and valuation at the measurement date) in respect of certain inventory. Such shares will be issued to Healing following the final determination of inventory values pursuant to the terms of the Asset Purchase Agreement, which determination is expected to occur approximately nine to ten months following the Closing Date and such shares will be subject to vesting restrictions which will lapse on the date that is the one-year anniversary after the Closing Date.

Pursuant to the terms of the Asset Purchase Agreement, the Seller is required to use its commercially reasonable efforts to identify one or more suppliers (other than the Seller) of finished goods inventory of all SKUs that constitute assets acquired in the Asset Purchase ("New Suppliers") and to initiate discussions with such New Suppliers for the purpose of negotiating new supply agreements between ATER or its affiliates, on the one hand, and the New Supplier, on the other hand, for the purchase of such SKUs following the Closing on terms acceptable to ATER in its sole discretion, acting reasonably. If, on or before the date that is 15 months after the Closing Date, an Earn-Out Consideration Event (as defined below) has occurred, then the Seller will be entitled to receive up to a maximum of 528,670 shares of Common Stock (the "Earn-Out Shares"), which number of shares is subject to reduction in accordance with the terms of the Asset Purchase Agreement based on the time period within which the Earn-Out Consideration Event occurs (if it occurs at all). An "Earn-Out Consideration Event" means the later to occur of (i) ATER having entered into supplier agreements with New Suppliers in respect of each SKU that constitutes an asset acquired in the Asset Purchase, and (ii) ATER having terminated each of the services provided to ATER under a transition services agreement that Truweo, LLC, a subsidiary of ATER, entered into with Healing as of the Closing Date, such that no services are being provided thereunder.

The aggregate maximum number of shares of Common Stock that are issuable to the Seller under the Asset Purchase Agreement (inclusive of the 1,387,759 shares of Common Stock issued at the Closing) is 2,196,429 shares.

The tables below sets forth the purchase consideration and the allocation to estimated fair value of the tangible and intangible net assets acquired (in thousands):

	Amount allocated (in thousands)
Cash purchase price	$ 15,280
1,387,759 shares of Common Stock issued at the Closing	39,454
Seller note for inventory	5,285
Estimated earnout liability	11,273
Total consideration to be paid	$ 71,292

	Total (in thousands)
Inventory	$ 8,215
Working Capital	202
Trademarks (10 year useful life)	22,900
Goodwill	39,975
Net assets acquired	$ 71,292

For the purposes of the preliminary purchase price allocation, the reported values of the assets acquired and liabilities assumed approximate their fair value, except for the intangible assets acquired. The Company's preliminary valuation of the fair values of assets acquired and liabilities assumed is based on preliminary estimates and assumptions and is subject to change materially upon the finalized valuation. Goodwill is expected to be deductible for tax purposes. The goodwill is attributable to expected synergies resulting from integrating the Healing products into the Company's existing sales channels.

The identifiable intangible assets acquired in the Acquisition consist of trademarks with estimated useful lives of 10 years. The fair values of these identifiable intangible assets is $22.9 million which was determined by the relief from royalty method. The final valuation may be materially different and may result in the identification of additional intangible assets as additional information becomes available and certain valuation analyses are completed.

Note 3—Financing Adjustments

Contemporaneously with the closing of the Acquisition, ATER entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with an accredited investor (the "Investor"), pursuant to which, among other things, ATER issued and sold to the Investor, in a private placement transaction (the "Private Placement"), in exchange for the payment by the Investor of $14.0 million, less applicable expenses as set forth in the Securities Purchase Agreement, (i) a 0% coupon senior secured promissory note in an aggregate principal amount of $16.5 million (the "Note") that would mature on February 1, 2023, and (ii) a warrant (the "Warrant") to purchase up to an aggregate of 469,931 shares of Common Stock with an exercise price of $25.10 per share.

ATER utilized the Monte-Carlo Simulation model to determine the fair value of the Warrant. As of February 2, 2021, the fair value of the Warrant on issuance was estimated to be $7.7 million, which has been recorded as a debt discount against the Note.

The Warrant is classified as a liability on the consolidated balance sheet as the Warrant contains certain change of control provisions that would benefit the holder as it relates to the calculation of the value of the warrant under certain circumstances.

The Company incurred approximately $1.2 million in debt issuance costs which has been offset against the debt and will expense over the term of the Note.

The Note was recorded on the assumed first day of the Acquisition, January 1, 2020, as follows:

	January 1, 2020 (in thousands)
The Note	$ 16,500
Less: deferred debt issuance costs	(1,192)
Less: discount associated with issuance of warrants	(7,740)
Less: discount associated with original issuance of loan	(2,475)
The Warrant	7,740
Total Note	12,833
Less-current portion	—
Term loan-non current portion	$ 12,833

During the three months ended March 31, 2021, the following amounts were recorded into interest expense on the pro forma statement of income and loss for the month ended January 31, 2021, which is the portion prior to the Acquisition:

	March 31, 2021 (in thousands)
Deferred debt issuance costs	$ 1,192
Amortization included in interest (1 of 24 months - the term of the Note)	(50)
Remainder deferred debt issuance costs	$ 1,142

	March 31, 2021 (in thousands)
Discount associated with issuance of warrants	$ 7,740
Amortization included in interest (1 of 24 months - the term of the Note)	(323)
Remainder discount associated with issuance of warrants	$ 7,417

	March 31, 2021
	(in thousands)
Discount associated with original issuance of loan	$ 2,500
Amortization included in interest (1 of 24 months from issuance)	(104)
Remainder discount associated with original issuance of loan	$ 2,396

Note 4—Pro Forma Adjustments—Statement of Income and Loss

The pro forma adjustments included in the pro forma statement of income and loss are as follows (in thousands):

A) Reclassifications as described in Note 1

B) General and administrative expenses were adjusted as follows:

	March 31, 2021
	(in thousands)
Amortization of intangibles (See Note 2)	$ 191
Total impacts to General and administrative expenses	$ 191

C) No tax provision was recorded as part of this pro forma statement of income and loss as Aterian has a full valuation allowance related to its income tax position. Such a pro forma adjustment would not be realized and thus would not impact pro forma results.

D) *Interest expense* was adjusted as described in Note 3.

E) *Basic and weighted average shares from common share consideration issued as described in Note 2.*