Risk Factors Comparison 2024-03-04 to 2023-03-23 Form: 10-K

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You should consider carefully the following risk factors, together with all of the other information included in this report. If any of the following risks, either alone or taken together, or other risks not presently known to us or that we currently believe to not be significant, develop into actual events, then our business, financial condition, results of operations or prospects could be materially adversely affected. If that happens, the market price of our common stock could decline, and stockholders may lose all or part of their investment. Unless the context otherwise requires, references in this section to " we, " " us, " " our " and the " Company " refer to Butterfly Network, Inc. and its subsidiaries. Risks Related to Our Financial Condition and Capital RequirementsWe have a limited operating history on which to assess the prospects for our business, we have generated limited revenue from sales of our products, and we have incurred losses since inception. We anticipate that we will continue to incur significant losses for at least the next several years as we continue to commercialize our existing products and services and seek to develop and commercialize new products and services. Since inception, we have devoted substantially all of our financial resources to develop our products and related services. We have financed our operations primarily through the issuance of equity and convertible debt securities. We have generated limited revenue from the sale of our products and services to date and have incurred significant losses. The amount of our future net losses will depend, in part, on sales and on- going development of our products and related services, the rate of our future expenditures and our ability to obtain funding through the issuance of our securities, strategic collaborations or grants. We expect to continue to incur significant losses for at least the next several years as we continue to commercialize our existing products and services and seek to develop and commercialize new products and services ~~. We anticipate that our expenses will increase substantially if and as we: ● continue to build our sales, marketing and distribution infrastructure to commercialize our products and services; ● continue to develop our products and services; ● seek to identify, assess, acquire, license and / or develop other products and services and subsequent generations of our current products and services; ● seek to maintain, protect and expand our intellectual property portfolio; ● seek to attract and retain skilled personnel; and ● support our operations as a public company~~ . Our ability to generate future revenue from product and service sales depends heavily on our success in many areas, including, but not limited to: ● launching and commercializing current and future products and services, either directly or in conjunction with one or more collaborators or distributors; ● obtaining and maintaining marketing authorization with respect to each of our products and maintaining regulatory compliance throughout relevant jurisdictions; ● maintaining clinical and economical value for end- users and customers in changing environments; ● addressing any competing technological and market developments; ● negotiating favorable terms in any collaboration, licensing or other arrangements into which we may enter; ● establishing and maintaining distribution relationships with third- parties that can provide adequate (in amount and quality) infrastructure to support market demand for our products; and ● maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets and know- how. We have incurred significant losses since inception. As such, you cannot rely upon our historical operating performance to make an investment decision about us. Since our inception, we have engaged in R & D activities and launched our first product, Butterfly iQ, in the fourth quarter of 2018, and our second product, Butterfly iQ , in 2020. Since commercialization of the Butterfly iQ, we also engaged in the continued development and sales of our enterprise software. We have financed our operations primarily through the issuance of equity securities and convertible debt. We have incurred net losses of $ ~~168~~ **133** . 7 million, $ **168. 7 million, and $** 32. 4 ~~million and $ 162. 7~~ million in the years ended December 31, **2023,** 2022, **and** 2021 ~~and 2020~~ , respectively. Our accumulated deficit as of December 31, ~~2022~~ **2023** was $ ~~595~~ **729** . ~~9~~ **6** million. We do not know whether or when we will become profitable. Our ability to generate revenue ~~27and~~ -- **and** achieve profitability depends upon our ability to accelerate the commercialization of our products and service offerings in line with the demand from current and future customers and our aggressive business strategy. We may be unable to achieve any or all of these goals. We may need to raise additional funding to expand the commercialization of our products and services and to expand our R & D efforts. This additional financing may not be available on acceptable terms, or at all. Failure to obtain this necessary capital when needed may force us to delay, limit or terminate our product commercialization or development efforts or other operations. Our operations have consumed substantial amounts of cash since inception. We expect to expend substantial additional amounts to commercialize our products and services and to develop new products and services. We expect to use the funds received in connection with the Business Combination to scale our operations, develop new products and services, expand internationally, and for working capital and general corporate purposes. We may require additional capital to expand the commercialization of our existing products and services and to develop new products and services. In addition, our ~~operating~~ **23operating** plans may change as a result of many factors that may currently be unknown to us, and we may need to seek additional funds sooner than planned. We cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Moreover, the terms of any future financing may adversely affect the holdings or the rights of our stockholders and the issuance of additional securities, whether equity or debt, by the Company, or the possibility of such issuance, may cause the market price of our common stock to decline. The incurrence of indebtedness could result in increased fixed payment obligations, and we may be required to agree to certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. We could also be required to seek funds through arrangements with collaborative partners or otherwise at an earlier stage than otherwise would be desirable, and we may be required to relinquish rights to some of our technologies or products or otherwise agree to terms that are unfavorable to us, any

of which may have a material adverse effect on our business, operating results and prospects. In addition, raising additional capital through the issuance of equity or convertible debt securities would cause dilution to holders of our equity securities, and may affect the rights of then- existing holders of our equity securities. Even if we believe that we have sufficient funds for our current or future operating plans, we may seek additional capital if market conditions are favorable or if we have specific strategic considerations. Risks Related to Our Business and OperationsOur success depends upon market acceptance of our products and services, our ability to develop and commercialize existing and new products and services and generate revenues, and our ability to identify new markets for our technology. We have developed, and we are engaged in the development of, ultrasound imaging solutions using our ultrasound- on- a- semiconductor- chip technology. We are commercializing Butterfly iQ point- of- care ultrasound imaging devices. Our success will depend on the acceptance of our products and services in the U. S. and international healthcare markets. We are faced with the risk that the marketplace will not be receptive to our products and services over competing products, including traditional cart- based ultrasound devices used in hospitals, imaging centers and physicians' offices, and that we will be unable to compete effectively. Factors that could affect our ability to successfully commercialize our current products and services and to commercialize any potential future products and services include: ● challenges of developing (or acquiring externally- developed) technology solutions that are adequate and competitive in meeting the requirements of next- generation design challenges; and ● dependence upon physicians' and other healthcare practitioners' acceptance of our products. We cannot assure investors that our current products and services or any future products and services will gain broad market acceptance. If the market for our current products and services or any future products and services fails to develop or develops more slowly than expected, or if any of the services and standards supported by us do not achieve or sustain market acceptance, our business and operating results would be materially and adversely affected. ~~28Medical~~ -- **Medical** device development is costly and involves continual technological change, which may render our current or future products obsolete. The market for point- of- care medical devices is characterized by rapid technological change, medical advances and evolving industry standards. Any one of these factors could reduce the demand for our devices or services or require substantial resources and expenditures for research, design and development to avoid technological or market obsolescence. Our success will depend on our ability to enhance our current technology, services and systems and develop or acquire and market new technologies to keep pace with technological developments and evolving industry standards, while responding to changes in customer needs. A failure to adequately develop or acquire device enhancements or new devices that will address changing technologies and customer requirements adequately, or to introduce such devices on a timely basis, may have a material adverse effect on our business, financial condition and results of operations. ~~We~~ **24We** might have insufficient financial resources to improve existing devices, advance technologies and develop new devices at competitive prices. Technological advances by one or more competitors or future entrants into the field may result in our current devices becoming non- competitive or obsolete, which may decrease revenues and profits and adversely affect our business and results of operations. We may encounter significant competition across our existing and future planned products and services and in each market in which we sell or plan to sell our products and services from various companies, many of which have greater financial and marketing resources than we do. Our primary competitors include ~~GE HealthCare, Philips, Canon Medical Systems (f / k / a Toshiba Medical), Hitachi and Siemens Healthineers, which, per IHI Markit data, are~~ the top five manufacturers of legacy cart- based incumbent ultrasound devices. In addition, many of our competitors are well- established manufacturers with significant resources and may engage in aggressive marketing tactics. Competitors may also possess the ability to commercialize additional lines of products, bundle products or offer higher discounts and incentives to customers in order to gain a competitive advantage. If the prices of competing products are lowered as a result, we may not be able to compete effectively. We will be dependent upon the success of our sales and customer acquisition and retention strategies. Our business is dependent upon the success of our sales and customer acquisition and retention strategies, and our marketing efforts are focused on developing a strong reputation with healthcare providers and increasing awareness of our products and services. If we fail to maintain a high quality of service or a high quality of device technology, we may fail to retain existing users or add new users. If we do not successfully continue our sales efforts and promotional activities, particularly to health systems and large institutions, or if existing users decrease their level of engagement, our revenue, financial results and business may be significantly harmed. Our future success depends upon continued expansion of our commercial operations in the United States and internationally, as well as entering additional markets to commercialize our products and services. We believe that our growth will depend on the further development and commercialization of our current products and services, and marketing authorization of our future products and services. If we fail to expand the use of our products and services in a timely manner, we may not be able to expand our market share or to grow our revenue. Our financial performance will be substantially dictated by our success in adding, retaining and engaging active users of our products. If customers do not perceive our products or services to be useful, reliable and trustworthy, we may not be able to attract or retain customers or otherwise maintain or increase the frequency and duration of their engagement. As our business model is predicated on both hardware and software sales, there is risk that any decline in software renewal rates will adversely impact our business. To date, utilization of our software has varied across different medical specialties, but usage does not directly correlate to renewal of subscriptions, as different medical specialties interact with the device in different ways depending on their clinical focus and routine. A decrease in customer retention, growth or engagement with our products and services may have a material and adverse impact on our revenue, business, financial condition and results of operations. Any number of factors could negatively affect customer retention, growth and engagement, including: ● customers increasingly engaging with competing products; ~~29~~ ● failure to introduce new and improved products and services; ● inability to continue to develop products for mobile devices that customers find engaging, that work with a variety of mobile operating systems and networks and that achieve a high level of market acceptance; ● changes in customer sentiment about the quality or usefulness of our products and services or concerns related to privacy and data sharing, safety, security or other factors; ● inability to manage and prioritize information to ensure customers are presented with content that is engaging, useful and relevant to them; ●

adverse changes in our products that are mandated by legislation or regulatory agencies, both in the United States and internationally; or ● technical or other problems preventing us from delivering products or services in a rapid and reliable manner or otherwise affecting the user experience. ~~If we do~~ **25Our research and development efforts may** not **succeed in developing commercially** ~~successfully~~ -- **successful** ~~manage the development and launch of new~~ products ~~, we will not meet our long- term forecasts,~~ and **technologies, which** ~~operating and financial results and condition~~ could ~~be~~ adversely ~~affected~~ -- **affect our business** . Our technology on a microchip has the potential to allow us to monitor patients in various care settings due to its portability and cost. We expect our development path will be directed at accessing and optimizing our technology for use in various care settings, potentially including home scanning and or wearable patient technology, subject to appropriate regulatory authorization. We face risks associated with launching such new products. If we encounter development or manufacturing challenges or discover errors during our product development cycle, the product launch dates of new products may be delayed, which will cause delays in our ability to achieve our forecasted results. The expenses or losses associated with unsuccessful product development or launch activities or lack of market acceptance of our new products could adversely affect our business or financial condition. We expect to generate an increasing portion of our revenue internationally in the future and may become subject to various additional risks relating to our international activities, which could adversely affect our business, operating results and financial condition. During the years ended December 31, **2023,** 2022, **and** 2021 ~~and 2020~~ , approximately **21 %,** 30 %, **and** 31 ~~% and 28~~ %, respectively, of our product and service revenue was generated from customers located outside of the United States. We believe that a substantial percentage of our future revenue will come from international sources as we expand our sales and marketing opportunities internationally. We have limited experience operating internationally, and engaging in international business involves a number of difficulties and risks, including: ● ~~the challenges associated with building local brand awareness, obtaining local key opinion leader support and clinical support, implementing reimbursement strategies and building local marketing and sales teams; ●~~ required compliance with foreign regulatory requirements and laws, including regulations and laws relating to patient data and medical devices; ● trade relations among the United States and those foreign countries in which our current or future customers, distributors, manufacturers and suppliers have operations, including protectionist measures such as tariffs and import or export licensing requirements, whether imposed by the United States or such foreign countries, in particular the strained trade relations between United States and China since 2018 ~~; ● difficulties and costs of staffing and managing foreign operations~~ ; ● difficulties protecting, procuring or enforcing intellectual property rights internationally; ● required compliance with anti- bribery laws, such as the FCPA and the UK Bribery Act of 2010, data privacy requirements, labor laws and anti- competition regulations; ● laws regulating the confidentiality of sensitive personal information and the circumstances under which such information may be released and / or collected ~~, such as HIPAA, the HITECH Act, the GDPR and the UK GDPR; ● laws and business practices that may favor local companies~~ ; ● longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems; ● political and economic instability and war or other military conflict, including the ongoing conflict occurring in Ukraine, which could have a material adverse impact on our sales in Europe and elsewhere; ~~and30~~ -- **and** ● potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements and other trade barriers. If we dedicate significant resources to our international operations and are unable to manage these risks effectively, our business, operating results and financial condition may be adversely affected. ~~We~~ **If we** are ~~subject~~ **unable** to ~~export~~ **attract, recruit, train, retain, motivate** and ~~import control laws~~ **integrate key personnel, we may not achieve our goals. There is substantial competition for key personnel, senior management,** and **qualified employees in the healthcare industry, and we may face increased competition for such a highly qualified scientific, technical, clinical, and management workforce in a highly competitive environment. While the increased availability of flexible, hybrid, or work- from- home arrangements has afforded us the ability to attract and retain talent from geographies remote from our physical offices, it has also expanded competition by allowing qualified employees within those same** ~~regulations~~ ---- **regions to pursue job opportunities throughout the country without the need to relocate. To help attract, retain, and motivate qualified employees in senior roles, we use equity- based awards and performance- based cash incentive awards. Sustained declines in our stock price, or lower stock price performance relative to competitors, can reduce the retention value of our equity- based awards, which can impact the competitiveness of our compensation. There can be no assurance** that ~~could impair~~ **we will be successful in retaining existing personnel** ~~our~~ - **or** ~~ability~~ **recruiting new personnel. 26From time** to **time,** ~~compete in international markets or~~ **our efforts to attract, recruit, train, retain, integrate and motivate key personnel may also** subject us to ~~liability~~ **litigation or other legal proceedings that may adversely affect our business. These legal proceedings may involve claims brought by current or former employees, government agencies or others, through private actions, class actions, administrative proceedings or other litigation. These legal proceedings may involve allegations of illegal, unfair or inconsistent employment practices, including wage and hour, discrimination, harassment, wrongful termination, retaliation, violations of law or other concerns. Even** if **the allegations against us are unfounded or** we ~~violate~~ **ultimately are not held liable, we may experience related negative publicity resulting in damage to our reputation. Further, the costs to defend ourselves may be significant and the litigation may subject us to substantial settlements, fines, penalties or judgments against us and may consume management' s bandwidth and attention, some or all of which may negatively impact our financial condition and results of operations. Having diverse representation and an inclusive workplace can also impact our ability to attract and retain talent and is an important driver of our ability to compete and innovate. As** such ~~laws and regulations. We are required to comply with export and import control laws~~ , ~~which may affect~~ our ability to ~~enter into~~ **attract and retain diverse talent can impact** ~~or our~~ ~~complete transactions with certain customers,~~ **corporate reputation and have adverse consequences to our** business ~~partners, and other persons~~ . **The loss** ~~In certain circumstances, export control regulations may prohibit the export~~ of **one** ~~certain products, services, and technologies. We may be required to obtain an export license before exporting a controlled item, and granting of a required license cannot be assured. Compliance with the import laws that apply to our~~ - **or** ~~businesses~~

may restrict more key employees, our inability to attract our - or access to, develop additional qualified employees and any delay in hiring key personnel may increase the cost of obtaining, certain products and could have interrupt our supply of imported inventory. Exported technologies necessary to develop and manufacture certain products are subject to U. S. export control laws and similar laws of other jurisdictions. We may be subject to adverse regulatory consequences, including government oversight of facilities and export transactions, monetary penalties, and other sanctions for violations of these laws. In certain instances, these regulations may prohibit us from developing or manufacturing certain of our products for specific applications outside the United States. Failure to comply with any of these laws and regulations could result in civil and criminal, monetary, and nonmonetary penalties; disruptions to our business; limitations on our ability to import and export products and services; or damage to our reputation. If we experience decreasing prices for our products and are unable to reduce our expenses, including the per unit cost of producing our products, there may be a material adverse effect on our business , results of operations , cash flows , financial condition , and cash flows. We may experience decreasing prices for - or our products due to pricing pressure from managed care organizations and other third- party payors and suppliers, increased market power of our payors as the medical device industry consolidates, and increased competition among suppliers, including manufacturing services providers. If the prices for our products and services decrease and we are unable to reduce our expenses, including the cost of sourcing materials, logistics and the cost to manufacture our products, our business, results of operations, financial condition and cash flows may be adversely affected. To the extent that we engage in enterprise sales, we may be subject to procurement discounts, which could have a negative impact on the prices of our products. Interim or preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data. From time to time, we may publicly disclose interim or preliminary data from any clinical studies that we may conduct in the future, which is based on a preliminary analysis of then- available data, and the results and related findings and conclusions are subject to change following a full analysis of all data related to the particular trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim or preliminary results that we report may differ from future results of the same trials, or different conclusions or considerations may qualify such results once additional data have been received and fully evaluated. Interim or preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the interim or preliminary data we previously published. As a result, interim or preliminary data should be viewed with caution until the final data are available. We may also disclose interim data from our clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects . 31Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular investigational device or device and our business in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular device, investigational device or our business. If the interim or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to use such results to support the marketing of our products may be jeopardized. If we are unable to attract, recruit, train, retain, motivate and integrate key personnel, we may not achieve our goals. Our future success depends on our ability to attract, recruit, train, retain, motivate and integrate key personnel as well as our management team and our R & D, manufacturing, software engineering and sales and marketing personnel. Competition for qualified personnel is intense. Several members of our senior management team ended their service with us during the past year. The loss or incapacity of existing members of our executive management team could adversely affect our operations if we experience difficulties in hiring qualified successors. Our executive officers have signed offer letters or employment agreements with us, but their service is at- will and may end at any point in time. In addition, all of our employees are at- will, which means that either we or the employee may terminate their employment at any time. We believe that our management team must be able to act decisively to apply and adapt our business model in the rapidly changing markets in which we will compete. In addition, we rely upon technical and scientific employees or third- party contractors to effectively establish, manage and grow our business. Consequently, we believe that our future viability will depend largely on our ability to attract and retain highly skilled managerial, sales, scientific and technical personnel. In order to do so, we increased our employee compensation in 2022 and in the future we may need to pay higher compensation or fees to our employees or consultants than we currently expect, and such higher compensation payments may have a negative effect on our operating results. Competition for experienced, high- quality personnel is intense, and there is no assurance that we will be able to recruit and retain such personnel. Our growth depends, in particular, on attracting and retaining highly- trained sales personnel with the necessary technical background and ability to understand our products and services at a technical level to effectively identify and sell to potential new customers and develop new products. Because of the technical nature of our products and the dynamic market in which we compete, any failure to attract, recruit, train, retain, motivate and integrate qualified personnel could materially harm our operating results and growth prospects. Recruiting, training and retention difficulties can limit our ability to support our R & D and commercialization efforts. From time to time, our efforts to attract, recruit, train, retain, integrate and motivate key personnel may also subject us to litigation or other legal proceedings that may adversely affect our business. These legal proceedings may involve claims brought by current or former employees, government agencies or others, through private actions, class actions, administrative proceedings or other litigation. These legal proceedings may involve

~~allegations of illegal, unfair or inconsistent employment practices, including wage and hour, discrimination, harassment, wrongful termination, retaliation, violations of law or other concerns. Even if the allegations against us are unfounded or we ultimately are not held liable, we may experience related negative publicity resulting in damage to our reputation. Further, the costs to defend ourselves may be significant and the litigation may subject us to substantial settlements, fines, penalties or judgments against us and may consume management' s bandwidth and attention, some or all of which may negatively impact our financial condition and results of operations. We will need to expand our organization, and we may experience difficulties in recruiting needed additional employees and consultants, which could disrupt our operations. As our development and commercialization plans and strategies develop, we will need additional managerial, operational, sales, marketing, financial, legal and other resources. The competition for qualified personnel in the medical device industry is intense. Due to this intense competition, we may be unable to attract and retain the qualified personnel necessary for the development of our business or to recruit suitable replacement personnel. 32Our management may need to divert a disproportionate amount of its attention away from our day- to- day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Our expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of additional products. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our ability to generate and / or grow revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize products and services and compete effectively will depend, in part, on our ability to effectively manage any future growth~~ . We have limited experience in marketing and selling our products and related services, and if we are unable to successfully commercialize our products and related services, our business and operating results will be adversely affected. We have limited experience marketing and selling our products and related services. We currently sell our products to healthcare practitioners through eCommerce, distributors and enterprise sales. Future sales of our products will depend in large part on our ability to effectively market and sell our products and services, successfully manage and expand our sales force, and increase the scope of our marketing efforts. We may also enter into additional distribution arrangements in the future. Because we have limited experience in marketing and selling our products, our ability to forecast demand, the infrastructure required to support such demand and the sales cycle to customers is unproven. If we do not build an efficient and effective marketing and sales force, our business and operating results will be adversely affected. We have chosen to engage a single supplier, TSMC, to supply and manufacture a key component of our products. If TSMC fails to fulfill its obligations under its existing contractual arrangements with us or does not perform satisfactorily, or if this relationship is terminated for other reasons, our ability to source our devices would be negatively and adversely affected. In addition, our obligation to purchase a minimum volume from TSMC may adversely affect our cash flows. We have chosen to engage a single supplier, TSMC, a semiconductor manufacturer, to manufacture and supply all of the wafers used to create the semiconductor chips in our probes. See " Item 1. Business — Manufacturing — Key Agreements — Foundry Service Agreement with Taiwan Semiconductor Manufacturing Company Limited ". Since our contracts with TSMC are non-exclusive and do not commit TSMC to supply or manufacture quantities beyond the amounts included in our forecasts, TSMC may give other customers' needs higher priority than ours, and we may not be able to obtain adequate supplies in a timely manner or on commercially reasonable terms. If TSMC is unable to supply components or devices, our business would be harmed. We entered into an FSA with TSMC, under which TSMC agreed to manufacture, and we committed to purchase, a minimum volume of the wafers used for the semiconductor chips in our probes. Our minimum purchase obligation could adversely affect our cash flows, such as in times when we have sufficient inventory and would otherwise be able to use our cash for other purposes. Pursuant to the FSA, we are required to buy back from TSMC any unused raw wafers. If we are required to buy back from TSMC any unused raw wafers pursuant to the FSA, our cash flows may be adversely impacted. In addition, if we were to lose component suppliers such as TSMC, there can be no assurance that we will be able to identify or enter into agreements with alternative suppliers on a timely basis on acceptable terms, if at all. An interruption ~~in~~ **27in** our ability to sell and deliver our products or instruments to customers could occur if we encounter delays or difficulties in securing these components, or if the quality of the components supplied do not meet our specifications, or if we cannot then obtain an acceptable substitute. If any of these events occur, our business and operating results could be harmed. ~~33We~~ **We** rely on a single contract manufacturer, Benchmark, to test, assemble and supply our finished products. If Benchmark fails to fulfill its obligations under its existing contractual arrangements with us or does not perform satisfactorily, our ability to source our devices could be negatively and adversely affected. In October 2015, we entered into an MSA with Benchmark. Under the MSA, as amended effective in August 2019 and February 2021, Benchmark will manufacture our products pursuant to binding 90- day purchase orders, as well as non- binding 180- day " forecasts " estimating our product shipment requirements, submitted by us to Benchmark each month, which may become binding in certain cases. We also have certain inventory related obligations, including the obligation to purchase excess and obsolete components from Benchmark. In addition, pursuant to the February 2021 amendment, we agreed to provide global production exclusivity to Benchmark for our current products and other hand- held probes which may be manufactured for us, for a specified exclusivity period. See " Item 1. Business — Manufacturing — Key Agreements — Manufacture and Supply Agreement with Benchmark Electronics, Inc ". In the event it becomes necessary to utilize a different contract manufacturer for our component products, we would experience additional costs, delays and difficulties in obtaining such components as a result of identifying and entering into an agreement with a new contract manufacturer as well as preparing such new manufacturer to meet the logistical requirements associated with manufacturing our devices, and our business would suffer. We have and may continue to experience pricing pressures from contract suppliers or manufacturers on which we rely. Due to supply constraints, we have seen our costs increase in 2022 but we were largely able to offset these costs through manufacturing efficiencies and pricing actions. However, we expect there will

continue to be supply constraints; our suppliers are continuing to raise prices and may continue to raise prices in the future, which we may not be able to offset through manufacturing efficiencies or pricing actions. Because we currently rely on TSMC to supply our custom components and on Benchmark to manufacture our finished products, such pricing pressures from either party could increase our costs and force us to increase the prices of our products if we are unable to enter into alternative arrangements with other suppliers or manufacturers, potentially leading to decreased customer demand. We may experience manufacturing problems or delays that could limit the growth of our revenue or increase our losses. We may encounter unforeseen situations that would result in delays or shortfalls in our production as well as delays or shortfalls caused by our outsourced manufacturing suppliers and by other third- party suppliers who manufacture components for our products. The FDA (and comparable foreign regulatory authorities) has comprehensive and prescriptive guidelines for medical device component manufacturers, requiring these manufacturers to establish and maintain processes and procedures to adequately control environmental conditions that could adversely affect product quality and impact patient safety. Clean room standards are an example of these requirements. Failure of component manufacturers or other third- party suppliers to comply with applicable standards could delay the production of our products. If we are unable to keep up with demand for our products, our revenue could be impaired, market acceptance for our products could be adversely affected and our customers might instead purchase our competitors' products. Our inability to successfully manufacture our products would have a material adverse effect on our operating results. We rely on limited or sole suppliers for some of the materials and components used in our products, and we may not be able to find replacements or immediately transition to alternative suppliers, which could have a material adverse effect on our business, financial condition, results of operations and reputation. We rely on limited or sole suppliers for certain materials and components that are used in our products. While we periodically forecast our needs for such materials and enter into standard purchase orders with them, we do not have long- term contracts with some of these suppliers. If we were to lose such suppliers, or if such suppliers were unable to fulfill our orders or to meet our manufacturing specifications, there can be no assurance that we will be able to identify or enter into agreements with alternative suppliers on a timely basis or on acceptable terms, if at all. If we are able to find a ~~replacement~~ **28replacement** supplier, such replacement supplier would need to be qualified and may require additional regulatory inspection or approval, which could result in further delay. An interruption in our operations could occur if we encounter delays or difficulties in securing these materials and components, or if the quality of the materials and components supplied do not meet our requirements, or if we cannot then ~~34obtain~~ -- **obtain** an acceptable substitute. The time and effort required to qualify a new supplier and ensure that the new materials and components provide the same or better quality results could result in significant additional costs. Any such interruption could significantly affect our business, financial condition, results of operations and reputation. To mitigate this risk, we typically carry significant inventory of critical components. While we believe that our level of inventory is currently sufficient for us to continue the manufacturing of our products without a disruption to our business in the event that we must replace one of our suppliers, there can be no assurance that we can maintain this level of inventory in the future. Acquisitions or joint ventures could disrupt our business, cause dilution to our stockholders and otherwise harm our business. We may acquire other businesses, products or technologies as well as pursue strategic alliances, joint ventures, technology licenses or investments in complementary businesses. Other than the Business Combination, we have not made any acquisitions to date, and our ability to do so successfully is unproven. Any of these transactions could be material to our financial condition and operating results and expose us to many risks, including: ● disruption in our relationships with customers, distributors, manufacturers or suppliers as a result of such a transaction; ● unanticipated liabilities related to acquired companies; ● difficulties integrating acquired personnel, technologies and operations into our existing business; ● diversion of management' s time and focus away from operating our business to acquisition integration challenges; ● increases in our expenses and reductions in our cash available for operations and other uses; and ● possible write- offs or impairment charges relating to acquired businesses. Foreign acquisitions involve unique risks in addition to those mentioned above, including those related to the integration of operations across different cultures and languages, currency risks and the particular economic, political and regulatory risks associated with specific countries. In addition, the anticipated benefit of any acquisition may not materialize. Future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses or write- offs of goodwill, any of which could harm our financial condition. We cannot predict the number, timing or size of future joint ventures or acquisitions, if any, or the effect that any such transactions might have on our operating results. If we do not successfully optimize and operate our sales and distribution channels or we do not effectively expand and update infrastructure, our operating results and customer experience may be negatively impacted. ~~If we do not adequately predict market demand or otherwise optimize and operate our sales and distribution channels successfully, this could result in excess or insufficient inventory or fulfillment capacity, increased costs, or immediate shortages in product or component supply, or harm our business in other ways. In addition, if we do not maintain adequate infrastructure to enable us to, among other things, manage our purchasing and inventory, this could negatively impact our operating results and user experience. If we are unable to continue the development of an adequate sales and marketing organization and / or if our direct sales organization is not successful, we may have difficulty achieving market awareness and selling our products in the future.~~ We must continue to **optimize** ~~develop and grow~~ our sales and marketing organization and enter into partnerships or other arrangements to market and sell our products and / or collaborate with third parties, including distributors and others, to market and sell our products to maintain the commercial success of Butterfly **Technologies** ~~iQ~~ and to achieve commercial success for any of our future products. Developing and managing a direct sales organization is a difficult, expensive and time- consuming process. ~~35To~~ **If we are unable to establish and maintain adequate sales, marketing and distribution capabilities, independently or with others, our future revenue may be reduced and our business may be harmed. 29If we are unable to continue the development of an adequate sales and marketing organization and / or if our direct sales organization is not successful, we may have difficulty achieving market awareness and selling our products in the future. We must continue to develop and grow our sales and**

marketing organization and enter into partnerships or other arrangements to market and sell our products and / or collaborate with third parties, including distributors and others, to market and sell our products to maintain the commercial success of Butterfly iQ and to achieve commercial success for any of our future products. Developing and managing a direct sales organization is a difficult, expensive and time- consuming process. To continue to develop our sales and marketing organization to successfully achieve market awareness and sell our products, we must: ● continue to recruit and retain adequate numbers of effective and experienced sales and marketing personnel; ● effectively train our sales and marketing personnel in the benefits and risks of our products; ● establish and maintain successful sales, marketing, training and education programs that educate health care professionals so they can appropriately inform their patients about our products; ● manage geographically dispersed sales and marketing operations; and ● effectively train our sales and marketing personnel on the applicable fraud and abuse laws that govern interactions with healthcare practitioners as well as current and prospective patients and maintain active oversight and auditing measures to ensure continued compliance. We may not be able to successfully manage our sales force or increase our product sales at acceptable rates. ~~Our use of programmatic digital advertising platforms for our eCommerce sales may lead to unwanted advertising and to reputational harm. Currently, we use programmatic digital advertising platforms that automatically place advertisements for our products on websites visited by those who have visited and / or made purchases from our website. This could lead to unwanted context for advertising about our products and services, resulting in ineffective advertising or even reputational harm.~~ If we are unable to establish and maintain adequate sales and marketing capabilities or enter into and maintain arrangements with third parties to sell and market our products, our business may be harmed. We cannot guarantee that we will be able to maintain our current volume of sales in the future. A substantial reduction in sales could have a material adverse effect on our operating performance. To the extent that we enter into additional arrangements with third parties to perform sales or marketing services in the United States, Europe or other countries, our product margins could be lower than if we directly marketed and sold our products. To the extent that we enter into co- promotion or other marketing and sales arrangements with other companies, any revenue received will depend on the skills and efforts of others, and we cannot predict whether these efforts will be successful. In addition, the growth of market acceptance of our products by healthcare practitioners outside of the United States will largely depend on our ability to continue to demonstrate the relative safety, effectiveness, reliability, cost- effectiveness and ease of use of such products. If we are unable to do so, we may not be able to increase product revenue from our sales efforts in Europe or other countries. If we are unable to establish and maintain adequate sales, marketing and distribution capabilities, independently or with others, our future revenue may be reduced and our business may be harmed. ~~The~~ **We operate in highly competitive** ~~market~~ **markets** ~~for our products and services is new~~ , **competition may increase in the future, and our industry may be further disrupted. Healthcare markets are characterized by** rapidly evolving **technology** , ~~and increasingly~~ **frequent introduction of new products, intense** ~~competitive~~ **competition** , **and pricing pressures. We face competition from international and domestic companies of all sizes. Competition is primarily focused on cost effectiveness, price, service, product performance, and technological innovation. Our ability to compete successfully may be adversely affected by factors such** as **: ●** the **introduction of new products** ~~healthcare industry in the United States is undergoing significant structural change, which makes it difficult to forecast demand for~~ **or** ~~our products~~ **product** ~~and services. The~~ **enhancements by competitors ● the development of new technology or the application of known or unknown technology ● a failure to satisfy local** market **conditions** ~~for our products~~ and ~~services is~~ **regulations, such as mandatory IP transfers, protectionist measures, and other government policies supporting increased local competition; ● the emergence of** new ~~and rapidly evolving, and it is uncertain whether we will achieve and sustain high levels of demand and~~ market **entrants; ● a failure to maintain** ~~adoption. Our future financial performance will depend in part on growth in this market and on our~~ **or expand relationships with existing** ~~ability to adapt to the changing demands of~~ customers ~~. It is difficult to predict the future growth rate and size of our~~ **or** ~~target market. As a result, our market projections may not be achieved. Negative publicity concerning our products could limit market acceptance of our products and services. If our customers do not perceive the benefits of our products and services, or if our products and services do not~~ attract new customers **; 30 ● cost of production or delivery** , **whether due to geographic location, currency fluctuations, taxes, duties, or otherwise, which may enable our competitors to offer greater discounts or lower prices; ●** ~~then~~ **the perception of** our **brand and image in the** market ~~may not develop at all,~~ **; ● a failure to successfully enter new geographic** or ~~it may develop more slowly than we expect~~ **adjacent product markets; ● changing regulatory standards, legal requirements, or enforcement rigor; or ● consolidation among customers, suppliers, channel partners, or competitors** . Our ~~success will depend to a substantial extent on the willingness of healthcare organizations to increase their use of our technology and our ability~~ **inability** to **obtain** ~~demonstrate the value of our technology relative to competing products~~ and **maintain regulatory authorizations** ~~services to existing and potential customers. If healthcare organizations do not recognize or acknowledge the benefits of our products and services or if we are unable to reduce healthcare costs or drive positive health outcomes, then the market~~ for **and supply commercial quantities of** ~~our solutions might not develop at all, or~~ **our offerings as quickly** ~~it might develop more slowly than we expect. Similarly, negative publicity regarding patient confidentiality~~ and **effectively as** ~~privacy in the context of technology- enabled healthcare or~~ **our** ~~concerns experienced by~~ competitors could limit market acceptance ~~of our products and services.~~ **Furthermore, our markets are continually** ~~36The healthcare industry in the United States is undergoing significant structural change and is rapidly~~ evolving ~~. We believe that demand for our products~~ and **thus revenues and income** ~~services has been driven in large~~ -- **are** ~~part by rapidly growing costs in~~ **difficult to forecast. Any of** ~~the~~ **these competitive factors** ~~traditional healthcare system, the movement toward patient- centricity and personalized healthcare, and advances in technology. Widespread acceptance of personalized healthcare is critical to our future growth and success. A reduction in the growth of personalized healthcare~~ could ~~reduce the demand for our products and services and result in a lower revenue growth rate or decreased revenue. Additionally, our products and services are offered on a subscription basis, and the adoption of subscription business models is still relatively new, especially in the healthcare industry. If companies do~~

not shift to subscription business models and subscription health management tools do not achieve widespread adoption, or if there is a reduction in demand for subscription products and services or subscription health management tools, our business, financial condition, and results of operations could be adversely affected -- **affect** . Further, the ability of our customers to purchase our products is often contingent upon the customer's ability to secure adequate funding. Such funding may be derived from internal and external resources, which are subject to a number of circumstances outside of our control. Therefore, it is possible customer funding intended to use towards the purchase of our products may be either delayed or **our** cancelled **pricing** , **margins,** which could present a negative impact on a customer's ability to complete purchases and **market share** / or continue payments for ongoing subscription services. Quality problems could lead to recalls or safety alerts and / or reputational harm and could have a material adverse effect on our business , results of operations **, cash flows** , financial condition **,** and cash flows. Quality of our **or** products is very important to us and our customers due to the serious and costly consequences of product failure. Our business exposes us to potential product liability risks that are inherent in the design, manufacture, and marketing of medical devices. Product or component failures, manufacturing nonconformities, design defects, off- label use, or inadequate disclosure of product- related risks or product- related information with respect **prospects** to our products, if they were to occur, could result in inaccurate imaging and safety risks. These problems could lead to the recall of, or the issuance of a safety alert relating to, our products, and could result in product liability claims and lawsuits. Additionally, the manufacture and production of our products must occur in a highly controlled and clean environment to minimize particles and other yield- and quality- limiting contaminants. Weaknesses in process control or minute impurities in materials may cause defective products. If we are not able to maintain stringent quality controls, or if contamination problems arise, our development and commercialization efforts could be delayed, which would harm our business and results of operations. If we fail to meet any applicable product quality standards and our products are the subject of recalls or safety alerts, our reputation could be damaged, we could lose customers, and our revenue and results of operations could decline. Our devices use lithium- ion battery cells, which have been observed to catch fire or vent smoke and flame, and these events may raise concerns about the batteries that we use. The battery pack used in Butterfly's iQ makes use of lithium- ion cells. On rare occasions, lithium- ion cells can rapidly release the energy they contain by venting smoke and flames in a manner that can ignite nearby materials. Publicized incidents of laptop computers and cell phones bursting into flames have focused consumer attention on the safety of these cells. There can be no assurance that the battery packs that we use would not fail, and this could lead to property damage, personal injury or death, and may subject us to lawsuits. We may also have to recall products due to battery- related safety concerns, which would be time- consuming and expensive. Also, negative perceptions in the healthcare and patient communities regarding the suitability of lithium- ion cells for medical applications or any future incident involving lithium- ion cells could seriously harm our business, even in the absence of an incident involving us. If we are not able to develop and release new products and services, or successful enhancements, new features and modifications to our existing products and services, to successfully implement our Software- as- a- Services, or SAAS, solutions or to achieve adequate clinical utility, our business, financial condition and results of operations could be adversely affected. The markets in which we operate are characterized by rapid technological change, frequent new product and service introductions and enhancements, changing customer demands, and evolving industry standards. The introduction of products and services embodying new technologies can quickly make existing products and services, including software 37memberships, obsolete and unmarketable. Additionally, changes in laws and regulations could impact the usefulness of our products and could necessitate changes or modifications to our products to accommodate such changes. We invest substantial resources in researching and developing new products and enhancing existing products by incorporating additional features, improving functionality, and adding other improvements to meet customers' evolving needs. The success of any enhancements or improvements to our existing products or any new products depends on several factors, including timely completion, competitive pricing, adequate quality testing, integration with new and existing technologies and third- party partners' technologies and overall market acceptance. We may not succeed in developing, marketing and delivering on a timely and cost- effective basis enhancements or improvements to our existing products or any new products that respond to continued changes in market demands or new customer requirements, and any enhancements or improvements to our products or any new solutions may not achieve market acceptance. Since developing our products is complex, the timetable for the release of new products and enhancements to existing products is difficult to predict, and we may not offer new products and updates as rapidly as our customers require or expect. Any new products that we develop may not be introduced in a timely or cost- effective manner, may contain errors or defects, or may not achieve the broad market acceptance necessary to generate sufficient revenue. Moreover, even if we introduce new products, we may experience a decline in revenue from our existing products that is not offset by revenue from the new products. For example, customers may delay making purchases of new products to permit them to make a more thorough evaluation of these products or until industry and marketplace reviews become widely available. Customers may also delay purchasing a new product because their existing Butterfly or other device continues to meet their needs. Some customers may hesitate to migrate to a new product due to concerns regarding the performance of the new product. In addition, we may lose existing customers who choose a competitor's products and services. This could result in a temporary or permanent revenue shortfall and adversely affect our business, financial condition and results of operations. The introduction of new products and solutions by competitors, the development of entirely new technologies to replace existing offerings or shifts in healthcare benefits trends could make our products obsolete or adversely affect our business, financial condition and results of operations. We may experience difficulties with software development, industry standards, design or marketing that could delay or prevent our development, introduction or implementation of new products, enhancements, additional features or capabilities. If customers do not widely purchase and adopt our products, we may not be able to realize a return on our investment. If we do not accurately anticipate customer demand or if we are unable to develop, license or acquire new features and capabilities on a timely and cost- effective basis, or if such enhancements do not achieve market acceptance, this could result in adverse publicity, loss of revenue or market acceptance or claims by customers brought against us, each of which could

~~have a material and adverse effect on our reputation, business, results of operations and financial condition~~ . Unfavorable global economic conditions could adversely affect our business, financial condition or results of operations. Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets, including changes in inflation, interest rates and overall economic conditions and uncertainties. ~~We have experienced pricing increases from our suppliers and we have increased compensation to our employees to help ensure employee retention.~~ To the extent inflation or other factors increase our business costs, it may not be feasible to pass price increases on to our customers or offset higher costs through manufacturing efficiencies. Inflation could also adversely affect the ability of our customers to purchase our products. An economic downturn could result in a variety of risks to our business, including weakened demand for our products and our inability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also result in further constraints on our suppliers or cause future customers to delay making payments for our products. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business. **Changes in applicable tax** ~~We have incurred and will incur increased costs and demands upon management as a result of complying with the~~ laws and regulations ~~affecting public companies, which~~ could adversely affect our business **. We are subject to income and other non- income taxes (including sales** , **excise, and value-added) in the United States and foreign jurisdictions. Thus, the tax treatment of transactions we execute is subject to changes in tax laws or regulations, tax treaties, or positions by the relevant authority regarding the application, administration, or interpretation of these tax laws and regulations. These factors, together with the ambiguity of tax laws and regulations, the subjectivity of factual interpretations, and uncertainties regarding the geographic mix of earnings in any period, can affect our estimates of our effective tax rate and income tax assets and liabilities, result in changes in our estimates and accruals, and have a material adverse effect on our business** results ~~of operations~~ , ~~and~~ **cash flows, or** financial condition. We ~~have incurred and will incur significant legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We also have incurred and will continue 38to incur costs associated with corporate governance requirements, including requirements under the Sarbanes- Oxley Act of 2002, as amended (the " Sarbanes- Oxley Act "), as well as rules implemented by the SEC and the NYSE. These rules and regulations~~ are ~~expected~~ **unable** to **predict what tax reforms** ~~increase our legal and financial compliance costs and to make some activities more time consuming and costly. For example, our executive officers and other personnel will need to devote substantial time regarding operations as a public company and compliance with applicable laws and regulations. As a result, it~~ may be **proposed** ~~more difficult for~~ **or enacted in the future** ~~us to attract and retain qualified individuals to serve on our~~ **or what** ~~board of directors or as executive officers, which may adversely affect~~ **effect** ~~investor confidence in the Company and could cause our business or stock price to suffer. Changes in tax legislation could adversely affect our business and financial condition. The rules dealing with U. S. federal, state, and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U. S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many~~ such changes **would** have ~~been made and~~ **on our business; however, such** changes **could potentially result** ~~are likely to continue to occur~~ in **higher tax expense and payments** ~~the future. It cannot be predicted whether~~ , **along** ~~when, in what form, or~~ with ~~what effective dates~~ **increasing the complexity** , **burden** ~~new tax laws may be enacted~~ , ~~or regulations and rulings may be promulgated or issued under existing or new tax laws, which could result in an~~ **and cost** ~~increase in our or our shareholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects~~ of **compliance** ~~changes in tax law or in the interpretation thereof~~ . Our ability to use net operating losses and certain other tax assets to offset future income may be subject to certain limitations. As of December 31, ~~2022~~ **2023** , we had federal net operating loss (" NOL ") carryforwards of approximately $ ~~552~~ **609** . ~~2~~ **7** million, of which approximately $ 73. 7 million will begin to expire in 2031 if not utilized. Unused NOLs may be carried forward to offset future taxable income if we achieve profitability in the future, unless such NOLs expire under applicable tax laws. However, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the " Code "), a corporation that undergoes an " ownership change " is subject to limitations on its ability to utilize its pre- change NOLs and other pre- change tax attributes (such as research tax credits) to offset post- change taxable income. ~~For Section 382 purposes, an ownership change generally occurs where the aggregate equity ownership of one or more stockholders or groups of stockholders who owns at least 5 % of a corporation' s stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a three- year period (calculated on a rolling basis). The Company completed an ownership shift analysis through September 30, 2021 and determined that an ownership change occurred on February 12, 2021 within the meaning of Sections 382 and 383 of the Code. Based on our ownership change limitation study, we are limited to utilize only a portion of our pre- change federal NOLs and tax credits until 2026. However, the limitation due to the ownership change will not result in any of the NOLs or tax credits expiring unutilized. The Company updated its ownership analysis under IRC Section 382 with publicly available data as of December 31, 2022 and determined that there has not been an ownership change since the last ownership change event on February 12, 2021. However, future changes in our stock ownership, including future offerings, as well as other changes that may be outside of our control, could result in additional ownership changes under Section 382 of the Code. Our NOLs and tax credits may also be limited under similar provisions of state laws. We have recorded a full valuation allowance related to our NOLs and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets. In addition, under the current law, federal NOLs generated in taxable years beginning after December 31, 2017 will not be subject to expiration. However, any such NOLs may only offset 80 % of our annual taxable income in taxable years beginning after December 31, 2020.~~ State NOLs and other tax attributes may be similarly limited. Any such limitations may result in increased tax liabilities that could adversely affect our business, results of operations, financial position and cash flows. **31We** ~~U. S. taxation of international business activities or the adoption of tax reform policies could materially impact our future financial position and results of operations. Limitations on~~

~~the ability of taxpayers to claim and utilize foreign tax credits and the deferral of certain tax deductions until earnings outside of the United States are repatriated to the United States, as well as changes to U. S. tax laws that may be enacted in the future, could impact the tax treatment of future foreign earnings. Should the scale of our international business activities expand, any changes in the U. S. taxation of such activities could increase our worldwide effective tax rate and harm our future financial position and results of operations. 39Taxing authorities may successfully assert that we should have collected or we in the future should collect sales and use, value- added, or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our results of operations. Jurisdictions in which we do not collect sales, use, value- added, or similar taxes on our products may assert that such taxes are applicable, which could result in tax assessments, penalties, and interest, and we may be required to collect such taxes in the future. Such tax assessments, penalties, interest, or future requirements would adversely affect our financial condition and results of operations. Further, in June 2018, the Supreme Court held in South Dakota v. Wayfair, Inc. that states could impose sales tax collection obligations on out- of- state sellers even if those sellers lack any physical presence within the states imposing the sales taxes. Under Wayfair, a person requires only a " substantial nexus " with the taxing state before the state may subject the person to sales tax collection obligations therein. An increasing number of states (both before and after the publication of Wayfair) have considered or adopted laws that attempt to impose sales tax collection obligations on out- of- state sellers. The Supreme Court' s Wayfair decision has removed a significant impediment to the enactment and enforcement of these laws, and it is possible that states may seek to tax out- of- state sellers on sales that occurred in prior tax years, which could create additional administrative burdens for us, put us at a competitive disadvantage if such states do not impose similar obligations on our competitors, and decrease our future sales, which would adversely impact our business, financial condition, and results of operations. We~~ could be adversely affected by violations of the FCPA and other worldwide anti- bribery laws by us or our agents. We are subject to the FCPA, which prohibits companies and their intermediaries from making payments in violation of law to non- U. S. government officials for the purpose of obtaining or retaining business or securing any other improper advantage. Our planned future reliance on independent distributors to sell our products internationally demands a high degree of vigilance in enforcing our policy against participation in corrupt activity, because these distributors could be deemed to be our agents, and we could be held responsible for their actions. Other U. S. companies in the medical device and pharmaceutical fields have faced criminal penalties under the FCPA for allowing their agents to deviate from appropriate practices in doing business with such non- U. S. government officials. We are also subject to similar anti- bribery laws in the jurisdictions in which we operate, including the UK Bribery Act of 2010, which also prohibits commercial bribery and makes it a crime for companies to fail to prevent bribery. We have limited experience in complying with these laws and in developing procedures to monitor compliance with these laws by our agents. These laws are complex and far- reaching in nature, and, as a result, we cannot assure investors that we would not be required in the future to alter one or more of our practices to be in compliance with these laws or any changes in these laws or the interpretation thereof. Any violations of these laws, or allegations of such violations, could disrupt our operations, involve significant management distraction, involve significant costs and expenses, including legal fees, and could result in a material adverse effect on our business, prospects, financial condition, or results of operations. We could also incur severe penalties, including criminal and civil penalties, disgorgement, and other remedial measures. Risks Related to Government Regulation and Other Legal Compliance MattersWe are subject to extensive government regulation, which could restrict the development, marketing, sale and distribution of our products and could cause us to incur significant costs. Our ultrasound imaging products and associated services are subject to extensive pre- market and post- market regulation by the FDA and various other federal, state, local and foreign government authorities. **For example, our operations are subject to regulations governing packaging and labeling requirements, adverse event reporting, quality system and manufacturing requirements, clinical testing and recalls. For a discussion on the relevant regulatory regime, see, in Item 1, Business –** Government ~~regulation~~ **Regulation** ~~of~~ **. We cannot assure that any new** medical devices **or new uses or modifications** ~~is meant to assure their safety and effectiveness, and includes requirements~~ for **our FDA** ~~, among other things: ● design, development and manufacturing processes; ● labeling, content and language of instructions for use and storage; ● product testing, non- clinical studies and clinical trials; ● regulatory authorizations, such as pre- market clearance --- **cleared** or PMA; ● establishment registration, device~~ **devices will** ~~listing and ongoing compliance with the QSR requirements; ● advertising and promotion; ● marketing, sales and distribution; 40 ● conformity assessment procedures; ● product traceability and record- keeping procedures; ● review of product complaints, complaint reporting, recalls and field safety corrective actions; ● post- market surveillance, including reporting of deaths or serious injuries and malfunctions that, if they were to recur, could lead to death or serious injury; ● post- market studies (if applicable); and ● product import and export. The laws and regulations to which we and our products are subject are complex and subject to periodic changes. Regulatory changes could result in restrictions on our ability to carry on or expand our operations, higher than anticipated costs or lower than anticipated sales. Before a new medical device, or a significant modification of a medical device, including a new use of or claim for an existing product, can~~ be ~~marketed in the United States, it must first receive either 510 (k) clearance or PMA from the FDA, unless an exemption applies. In the 510 (k) clearance process, the FDA must determine that a proposed device is " substantially equivalent " to a device legally on the market, known as a " predicate " device, with respect to intended use, technology and safety and effectiveness, in order to clear~~ **cleared** ~~the proposed device for~~ **or** ~~marketing. Clinical data is sometimes required to support substantial equivalence. Further, if a previously unclassified new medical device does not qualify for the 510 (k) pre- market notification process because no predicate device to which it is substantially equivalent can be identified, the device is automatically classified into Class III. If such a device would be considered low or moderate risk (in other words, it does not rise to the level of requiring the approval of a PMA), it may be eligible for the De Novo classification process. Obtaining 510 (k) clearance, De Novo classification, or PMA approval for medical devices can be expensive and time- consuming, and entails significant user fees, unless an exemption is available. The FDA' s process for obtaining 510 (k) clearance usually takes three to 12 months, but it can last longer. In the~~

PMA approval process, the FDA must determine that a proposed device is safe and effective for its intended use based, in part, on extensive data, including but not limited to, technical, non- clinical, clinical trial, manufacturing and labeling data. The process for obtaining a PMA is more costly and uncertain than for a 510 (k), and approval can take anywhere from at least one year to, in some cases, multiple years from the time the application is initially filed with the FDA. Modifications to products that are approved through a PMA application generally require further FDA approval. Some of our future products may require PMA approval. In addition, the FDA may require that we obtain a PMA prior to marketing future changes of our existing products. We may not be able to obtain additional 510 (k) clearances or PMAs for new products or for modifications to, or additional indications for, our products in a timely fashion or **cost- effective manner, if cleared or approved** at all. Delays in obtaining **In the event we are unable to leverage existing or predicate devices for** future clearances or approvals could adversely affect our ability to introduce new or enhanced products in a timely manner , which in turn could harm our revenue and future profitability. We received 510 (k) clearance for the Butterfly iQ in 2017, and the FDA determined, following a 2020 pre- submission meeting with us, that the Butterfly iQ was eligible to be marketed under the original 510 (k) clearance. We may be required to obtain a new 510 (k) clearance or PMA for significant post- market modifications to our products, including any modifications made to the Butterfly iQ . In order to pave the way for at- home use of the Butterfly iQ and future products or services, we **may experience delays** anticipate that we will need to validate at- home applications through focused clinical trials. In order to conduct a clinical investigation involving human subjects for the purpose of demonstrating the safety and effectiveness of a medical device, if necessary, for a PMA application, De Novo classification request, or 510 (k) notification, a company must, among other things, apply for and obtain IRB approval of the proposed investigation. In addition **additional costs** , if the clinical study involves a " significant risk " (as defined by the FDA) to human health, the sponsor of the investigation must also submit and obtain FDA approval **for such future products** of an IDE application and follow applicable IDE regulations . **Even** Unless IDE- exempt, nonsignificant risk devices are still subject to certain abbreviated IDE requirements, however, an IDE application is not required if such abbreviated requirements **clearances or approvals** are **received** met. In addition , we **they** may not be able **for all indications for which we pursue. Because medical devices may only be marketed for cleared or approved indications, this could significantly limit the market for that product and may adversely affect our results of operations. Our business is subject** to obtain any necessary **unannounced inspections by** FDA and / **to determine** or **our** IRB approval to undertake clinical trials **compliance with FDA requirements. FDA inspections can result** in the United States **inspectional observations on Form FDA 483s, warning letters, untitled letters** for . **or** future devices we develop and intend to market in the **other** United States **forms of more significant enforcement action** . If we do obtain such approvals, the FDA **concludes** 41may find that **we failed to** our studies do not comply with the IDE or other regulations governing clinical investigations or the data from any such trials may not support clearance or approval of the investigational device. Moreover, certainty that clinical trials will meet desired endpoints, produce meaningful or useful data and be free of unexpected adverse effects, or that the FDA will accept the validity of foreign clinical study data (if applicable) cannot be assured, and such uncertainty could preclude or delay market clearance or authorizations resulting in significant financial costs and reduced revenue. We are also subject to numerous post- marketing regulatory requirements **during** , which include quality system regulations related to the manufacture of our devices, labeling regulations and **an inspection** medical device reporting (" MDR ") regulations. The last of these regulations requires us to report to the FDA if our devices cause or contribute to a death or serious injury , **it** or malfunction in a way that would **could** likely cause or contribute to a death or serious injury if the malfunction recurred. If we fail to comply with present or future regulatory requirements that are applicable to Butterfly, we may be subject to enforcement action by the FDA, which may include any of the following sanctions: ● Untitled Letters, Warning Letters, fines, injunctions, consent decrees and civil penalties; ● customer notification, or orders for repair, replacement or refunds; ● voluntary or mandatory recall or seizure of our current or future products; ● administrative detention by the FDA of medical devices believed to be adulterated or misbranded; ● operating restrictions, suspension or shutdown of production; ● refusal of our requests for 510 (k) clearance or PMA of new products, new intended uses or modifications to existing products; ● rescission of 510 (k) clearance or suspension or withdrawal of PMAs that have already been granted; and ● criminal prosecution. The occurrence of any of these events may have a material adverse effect on our business , **and** financial condition and results of operations . **We** There is no guarantee that the FDA will grant 510 (k) clearance or PMA approval of our future products, and failure to obtain necessary clearances or approvals for our future products would **could** adversely affect **incur substantial expense and harm to our reputation, and** our ability to **introduce** grow our business. Some of our new or **enhanced** modified products will require FDA clearance of a 510 (k) notification or FDA approval of a PMA application, or potentially a grant of a De Novo classification. The FDA may refuse our requests for 510 (k) clearance or PMA of new products or may not clear or approve these products for the indications that are necessary or desirable for successful commercialization. Early stage review may also result in delays or other issues. For example, the FDA has issued guidance intended to explain the procedures and criteria used in assessing whether 510 (k) and PMA submissions should be accepted for substantive review. Under the " Refuse to Accept " guidance, the FDA conducts an early review against specific acceptance criteria to inform 510 (k) and PMA submitters if the submission is administratively complete, or if not, to identify the missing element (s). Submitters are given the opportunity to provide the FDA with any information identified as missing. If the information is not provided within a specified time, the submission will not be accepted for FDA review. The FDA may also change its clearance and approval policies, adopt additional regulations or revise existing regulations, or take other actions that may prevent or delay approval or clearance of our products under development or impact our ability to gain clearance or approval for modifications to our currently approved or cleared products in a timely manner **could be adversely affected** . Significant delays **Any interruption** in receiving clearance **the operations of** or **our** approval **manufacturing facilities** , **or** or **our** the failure to receive clearance **suppliers' or customers' facilities, may impair** or **our** approval **ability to deliver products or provide services. We are dependent on our global production and operating network to develop,**

manufacture, assemble, supply, and service our offerings. A work stoppage, labor shortage, or other production limitation, including import or export restrictions and transportation issues, among others, could occur at our manufacturing facilities or at supplier or customer facilities, and negatively impact our reputation and market position. Such interruptions may occur for **several reasons, including as a result of regulatory enforcement actions, tight credit markets** ~~our~~ **or** ~~new~~ **other financial distress,** ~~products~~ **production constraints or difficulties** , **unscheduled downtimes, war, severe weather and natural disasters, fires and explosions, accidents, mechanical 32failures, pandemics, civil unrest, strikes, unpermitted releases of toxic or hazardous substances, other EH & S risks, sabotage, cybersecurity attacks, riots, or terrorist attacks. Any significant event affecting one of our or our suppliers' production or operating facilities may result in a disruption to our ability to supply customers, and standby capacity necessary for the reliable operation of the facility may not be sufficiently available. The impact of these risks is heightened if our production capacity is at or near full utilization (or if we lack alternative manufacturing sites) and** ~~would~~ **could result in our inability to accept orders or deliver products in a timely manner. Additionally, significant capital investment to increase manufacturing capacity may be required to expand our business or meet increased demand for our products in the future. Any of these risks could** have ~~an~~ **a material** adverse effect on our ~~ability to expand our~~ business ~~. Recent initiatives by the FDA to enhance and modernize various regulatory pathways for device products and its overall approach to safety and innovation in the medical technology industry creates the possibility of changing product development costs, requirements, and other factors and additional uncertainty for our future products and business. Regulatory requirements may change in the future in a way that adversely affects us. Any change in the laws or regulations that govern the clearance and approval processes or the post- market compliance requirements relating to our current and future products could make it more difficult and costly to obtain clearance or approval for new products, or to produce, market and distribute existing products. 42For example, the FDA and other government agencies have been focusing on the cybersecurity risks associated with certain medical devices and encouraging device manufacturers to take a more proactive approach to assessing the cybersecurity risks of their devices both during development and on a periodic basis after the devices are in commercial distribution. These regulatory efforts could lead to new FDA requirements in the future or additional product liability or other litigation risks if any of our products is considered to be susceptible to third- party tampering. In December 2016, Congress passed the 21st Century Cures Act, which made multiple changes to the FDA's rules for medical devices as well as for clinical trials, and in August 2017, Congress passed the Medical Device User Fee reauthorization package, which affects medical device regulation both pre- and post- approval and could have certain impacts on our business. Since that time, the FDA has announced a series of efforts to modernize and streamline the 510 (k) notification and regulatory review process and monitoring post- market safety, and issued a final rule to formalize the De Novo classification process to provide clarity to innovative device developers. Changes in the FDA 510 (k) process could make clearance more difficult to obtain, increase delay, add uncertainty and have other significant adverse effects on our ability to obtain and maintain clearance for our products. It is unclear at this time whether and how various activities initiated or announced by the FDA to modernize the U. S. medical device regulatory system could affect our business, as some of the FDA's new medical device safety and innovation initiatives have not been formalized and remain subject to change. For example, a 2018 Medical Device Safety Action Plan announced by former FDA Commissioner Gottlieb included a particular focus on post- market surveillance and how to respond when new safety concerns emerge once a product is on the market. The increased attention that the medical technology industry is receiving from FDA leadership that understands the challenging and rapidly changing nature of the U. S. health care system creates the possibility of unanticipated regulatory and other potential changes to our products and our overall business. In response to the COVID- 19 public health emergency, the FDA's device and diagnostic center leadership has exercised a significant amount of enforcement discretion to meet the medical community's and patients' needs for remote monitoring and other innovative solutions that involve digital health products. In December 2021, the FDA issued draft guidance documents describing a phased transition process for medical devices that were developed or modified during the course of the pandemic to treat COVID- 19 patients or allow greater access to patients, including medical imaging devices that were developed or modified in accordance with FDA's Enforcement Policy for Imaging Systems During the COVID- 19 Public Health Emergency. It is unclear how those policies could impact the medical device industry in the future. If we fail to obtain marketing authorization in other countries for existing products or products under development, we will not be able to commercialize these products in those countries. In order for us to market our products in countries outside of the United States, we must comply with extensive safety and quality regulations in other countries regarding the quality, safety and efficacy of our products. These regulations, including the requirements for approvals, clearance or CE mark grant, and the time required for regulatory review, vary from country to country. Failure to obtain regulatory approval, clearance or CE mark (or equivalent) in any foreign country in which we plan to market our products may harm our ability to generate revenue and harm our business. Approval and CE marking procedures vary between countries and can involve additional product testing and additional administrative review periods. The time required to obtain approval or CE mark in other countries might differ from that required to obtain FDA clearance. The regulatory approval or CE marking process in other countries may include all of the risks detailed above regarding FDA clearance in the United States. Regulatory approval or the CE marking of a product in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval or a CE mark in one country may negatively impact the regulatory process in others. Failure to obtain regulatory approval or a CE mark in other countries or any delay or setback in obtaining such approval could have the same adverse effects described above regarding FDA clearance in the United States. The primary regulatory environment in Europe is that of the EEA, which is comprised of the Member States of the EU, Iceland, Liechtenstein and Norway. We cannot be certain that we will be successful in meeting and continuing to meet the requirements to market a medical device in the EEA in light of the current transition period between the prior system, the MDD, to the current system, the EU MDR. The EU MDR came into force in May 2017 but initially allowed a three- year transition period until May 2020 for Member States, regulatory authorities, and medical device~~

~~stakeholders to come into compliance with the new requirements. A one- year delay of the compliance date of the EU MDR was implemented in response to the COVID- 19 pandemic, such that May 2021 was the deadline for industry compliance. Compared to the 43MDD, the EU MDR promotes a shift from the pre- approval stage (i. e., the path to CE marking) to a life- cycle approach and places greater emphasis on clinical data and clinical evaluations to assure the safety and performance of new medical devices. Moreover, the EU MDR includes elements intended to strengthen the conformity assessment procedures, assert greater control over notified bodies and their standards, increase overall system transparency, and impose more robust device vigilance requirements on manufacturers and distributors. Among other changes, many device manufacturers will need to switch notified bodies to one that has received its designation under the EU MDR, which will require those manufacturers to undergo an audit and have all their documentation reviewed by the new notified body before it can assess their medical device products under the new standards. European medical device manufacturers and distributors are currently benefiting from a grace period for legacy MDD certificates that lasts until May 26, 2024. However, in response to concerns raised about notified body capacity and the ability for devices to be re- certified within such time period, the European Commission has adopted a proposal to extend the grace period by some years, depending on the risk class of the device. Such proposal is currently being considered for adoption by the European Parliament and Council. For a product to qualify for the grace period, there must be no significant changes to such a legacy medical device as described in its existing MDD certificate; the recertification process under the EU MDR requires a demonstration that the performance and the safety of the currently marketed medical device has been maintained and that the system meets the new regulatory requirements. The new rules and procedures that have been created under the overhauled European regulations will likely result~~ **results** ~~in increased regulatory oversight of all medical devices marketed in the EU~~ , **cash flows** ~~and this may~~ , ~~in turn~~ **financial condition** , ~~increase the costs, time and requirements that need to be met in order to place an innovative~~ or **prospects** ~~high- risk medical device on the EEA market~~ . If we, our contract manufacturers or our component suppliers are unable to manufacture our products in sufficient quantities, on a timely basis, at acceptable costs and in compliance with regulatory and quality requirements, the manufacturing and distribution of our devices could be interrupted, and our product sales and operating results could suffer. We, our contract manufacturers and our component suppliers are required to comply with the FDA' s Quality System Regulation (" QSR "), which is a complex regulatory framework that covers the procedures and documentation of the design, testing, production, control, quality assurance, labeling, packaging, sterilization, storage, shipping and servicing of our devices. Compliance with applicable regulatory requirements is subject to continual review and is monitored rigorously through periodic, sometimes unannounced, inspections by the FDA. We cannot assure investors that our facilities or our third- party manufacturers' or suppliers' facilities would pass any future quality system inspection. Failure of our or our third- party manufacturers and component suppliers to adhere to QSR requirements or take adequate and timely corrective action in response to an adverse quality system inspection finding could delay production of our products and lead to fines, difficulties in obtaining regulatory clearances, recalls, enforcement actions, including injunctive relief or consent decrees, or other consequences, which could have a material adverse effect on our financial condition or results of operations ~~. Any such failure, including the failure of our contract manufacturers, to achieve and maintain the required high manufacturing standards could result in further delays or failures in product testing or delivery, cost overruns, increased warranty costs or other problems that could harm our business and prospects~~ . In addition, any of our products shipped internationally are also required to comply with the International Organization for Standardization (" ISO ") quality system standards as well as EU Regulations and norms in order to produce products for sale in the EU. ~~The FDA published proposed regulations in 2022 intended to modernize and harmonize the QSR with the applicable ISO standards, which, if finalized, may have wide- reaching effects on medical device production and the industry as a whole.~~ In addition, many countries such as Canada and Japan have very specific additional regulatory requirements for quality assurance and manufacturing. If we fail to continue to comply with current good manufacturing requirements, as well as ISO or other regulatory standards, we may be required to cease all or part of our operations until we comply with these regulations. Maintaining compliance with multiple regulators adds complexity and cost to our manufacturing and compliance processes. ~~44Our~~ -- **Our** current or future products may be subject to product recalls even after receiving FDA clearance or approval. A recall of our products, either voluntarily or at the direction of the FDA, or the discovery of serious safety issues with our products, could have a significant adverse impact on us. The FDA and similar governmental bodies in other countries have the authority to require the recall of our products if we or our third- party manufacturers fail to comply with relevant regulations pertaining to, among other things, manufacturing practices, labeling, advertising or promotional activities, or if new information is obtained concerning the safety or efficacy of these products. ~~For example, under the FDA' s MDR regulations, we are required to report to the FDA any incident in which our products may have caused or contributed to a death or serious injury or in which our products malfunctioned in a manner likely to cause or contribute to death or serious injury if that malfunction were to recur. Repeated adverse events or product malfunctions may result in a voluntary or involuntary product recall, or administrative or judicial seizure or injunction, when warranted. A government- mandated recall may be ordered if the FDA finds that there is a reasonable probability that the device would cause serious, adverse health consequences or death. A voluntary recall by us could occur as a result of any material deficiency in a device, such as manufacturing defects, labeling deficiencies, packaging defects or other failures to comply with applicable regulations, such as a failure to obtain marketing approval or clearance before launching a new product.~~ In February 2020, we initiated a voluntary recall of two software tools after being notified by the FDA that each of them required ~~clearance via a 510~~ **5109** (k) **clearance** ~~pre- market notification~~ . The FDA evaluated the recall and subsequently terminated it in June 2020 ~~. In general, if we decide to make a change to our product, we are responsible for determining whether to classify the change as a recall. It is possible that the FDA could disagree with our initial classification. The FDA requires that certain classifications of recalls be reported to the FDA within 10 working days after the recall is initiated. If a change to a device addresses a violation of the FDCA, that change would generally constitute a medical device recall and require submission of a recall report to the FDA~~ . Recalls of any of our products would divert

managerial and financial resources and have an adverse effect on our reputation, results of operations and financial condition, which could impair our ability to produce our products in a cost- effective and timely manner in order to meet our customers' demands. We may also be subject to product liability claims, be required to bear other costs, or be required to take other actions that may have a negative impact on our future sales and our ability to generate profits. **33We** ~~Companies are required to maintain certain records of recalls, even if they are not reportable to the FDA. We may initiate voluntary recalls involving our products in the future that we determine do not require notification to the FDA. If the FDA disagrees with our determinations, the FDA could require us to report those actions as recalls. A future recall, withdrawal, or seizure of any product could materially and adversely affect consumer confidence in the Butterfly brand, lead to decreased demand for our products and negatively affect our sales. In addition, the FDA could take enforcement action for failing to report recalls when they were conducted by us or one of our agents. We~~ may be subject to enforcement action if we engage in improper or off- label marketing or promotion of our products, including fines, penalties and injunctions. Our promotional materials and training methods must comply with FDA and other applicable laws and regulations, including the prohibition of the promotion of unapproved, or off- label, uses ~~. Physicians may, however, use our products off- label, as the FDA does not restrict or regulate a physician' s practice of medicine. Medical device manufacturers and distributors are permitted to promote their products in a way that is consistent with the FDA- authorized labeling and indications for use~~. However, if the FDA determines that our promotional materials or training materials promote a 510 (k)- cleared or approved medical device in a manner inconsistent with its labeling, it could request that we modify our training or promotional materials or subject us to regulatory or enforcement actions, including the issuance of an Untitled Letter, a Warning Letter, injunction, seizure, civil fine or criminal penalties. In addition to ensuring that the claims we make are consistent with our regulatory clearances or approvals, the FDA also ensures that promotional labeling for all regulated medical devices is neither false nor misleading. It is also possible that other federal **(such as the FTC)** , state or foreign enforcement authorities might take action if they consider our promotional or training materials to constitute promotion of an off- label use, **or to be false, unsubstantiated, or misleading,** which could result in significant fines or penalties under other statutory authorities, such as laws prohibiting false claims for reimbursement. In that event, our reputation could be damaged, and adoption of our products could be impaired ~~. Although our policy is to refrain from making statements or from disseminating promotional material that could be considered off- label promotion of our products~~ , ~~the FDA or another regulatory agency could disagree and conclude that we have engaged~~ in ~~off- label promotion. 45In~~ addition **to legal consequences** , **which** ~~the off- label use of our products~~ may ~~increase the risk of~~ **include fines, penalties,** product liability claims ~~. Product liability claims are expensive to defend and could divert our management' s attention~~ , ~~result in substantial damage awards against us, and harm our reputation. Recent court decisions have impacted the FDA' s enforcement activity regarding off- label promotion in light of First Amendment considerations, although there are still significant risks in this area in part due to the potential False Claims Act exposure. Further, this area is subject to ongoing policy changes at the federal level, resulting in some degree of uncertainty for regulated businesses. For example, in August 2021, the FDA issued a final rule revising the agency' s regulation governing the types of evidence relevant to determining the " intended use " of a medical device under the FDCA, which has significant implications for when a manufacturer or distributor has engaged in off- label marketing. Direct- to- consumer marketing and social media efforts may expose us to additional regulatory scrutiny, including from the FTC~~ and other **legal** ~~consumer protection agencies and regulators. In addition to the laws and regulations enforced by the FDA, advertising for various services and for non- restricted medical devices is subject to federal truth- in- advertising laws enforced by the FTC, as well as comparable state consumer protection laws. Our efforts to promote our prescription products via direct- to- consumer marketing and social media initiatives may subject us to additional scrutiny of our practices. For example, the FTC and other consumer protection agencies scrutinize all forms of advertising (whether in digital or traditional formats) for business services, consumer- directed products, and non- restricted medical devices to ensure that advertisers are not making false, misleading or unsubstantiated claims or failing to disclose material relationships between the advertiser and its products' endorsers, among other potential issues. The FDA oversees the advertising and promotional labeling for restricted medical devices and ensures, among other things, that there is effective communication of, and a fair and balanced presentation of, the risks and benefits of such high- risk medical devices. Under the Federal Trade Commission Act (the " FTC Act ") the FTC is empowered, among other things, to (a) prevent unfair methods of competition and unfair or deceptive acts or practices in or affecting commerce; (b) seek monetary redress and other relief for conduct injurious to consumers; and (c) gather and compile information and conduct investigations relating to the organization, business, practices, and management of entities engaged in commerce. The FTC has very broad enforcement authority, and failure to abide by the substantive requirements of the FTC Act and other consumer protection laws can result in administrative or judicial penalties, including civil penalties, injunctions affecting the manner in which we would be able to market services or products in the future, or criminal prosecution. We plan to increase our advertising activities that may be subject to these federal and state truth- in- advertising laws. Any actual or perceived non- compliance with those laws could lead to an investigation by the FTC or a comparable state agency, or could lead to allegations of misleading advertising by private plaintiffs. Any such action~~ **actions** ~~against us would disrupt our business operations, cause damage to our reputation, and have a material adverse effect on our business~~ . In some instances in our advertising and promotion, we may make claims regarding our product as compared to competing products, which may subject us to heightened regulatory scrutiny, enforcement risk, and litigation risks. The FDA requires that promotional labeling be truthful and not misleading, including with respect to any comparative claims made about competing products or technologies. In addition to FDA implications, the use of comparative claims also presents risk of a lawsuit by the competitor under federal and state false advertising and unfair competition statutes (e. g., the Lanham Act) or unfair and deceptive trade practices law, and possibly also state libel law **, or other similar foreign laws** . Such a suit may seek injunctive relief against further advertising, a court order directing corrective advertising, and compensatory and punitive damages where permitted by law. Further, notwithstanding the ultimate outcome of any Lanham Act or similar complaint, our reputation and relationship with certain

customers or distribution partners may be harmed as a result of the allegations related to our products or our business practices more generally ~~. Because we do not require training for users of our current products, although they are limited under FDA' s marketing clearances to use by trained healthcare practitioners, there exists a potential for misuse of these products, which could ultimately harm our reputation and business. Federal regulations allow us to sell our medical device products to or on the order of practitioners licensed by law to use or order the use of a prescription device. The definition of " licensed practitioners " varies from state to state. As a result, our products may be purchased or operated by physicians with varying levels of training and, in many states, by non- physicians, including nurse practitioners, chiropractors and technicians. Outside the United States, many jurisdictions do 46not require specific qualifications or training for purchasers or operators of medical device products. We do not supervise the procedures performed with our products, nor can we require that direct medical supervision occur. Although product training is offered, neither we nor our distributors require purchasers or operators of our non- invasive products to attend training sessions. The lack of required training and the purchase and use of our non- invasive products by non- physicians may result in product misuse and adverse treatment outcomes, which could harm our reputation and expose us to costly product liability litigation~~ . We are subject to federal, state and foreign laws prohibiting " kickbacks " and false or fraudulent claims, and other fraud and abuse laws, transparency laws, and other health care laws and regulations, which, if violated, could subject us to substantial penalties. Additionally, any challenge to or investigation into our practices under these laws could cause adverse publicity and be costly to respond to, and thus could harm our business. Our relationships with customers and third- party payors are subject to broadly applicable fraud and abuse and other health care laws and regulations that may constrain Butterfly' s sales, marketing and other promotional activities by limiting the kinds of financial arrangements, including sales programs and certain customer and product support programs, we may have with hospitals, physicians or other purchasers of medical devices. **See Item 1, Business – Government Regulation. Any failure to comply with these laws and regulations could subject us or our officers and employees to criminal and civil financial penalties. We are also subject to risks relating to changes in government and private medical reimbursement programs and policies, and changes in legal regulatory requirements in the U. S. and around the world. Implementation of further legislative or administrative reforms to these reimbursement systems, or adverse decisions relating to coverage of or reimbursement for our products by administrators of these systems, could have an impact on the acceptance of and demand for our products and the prices that our customers are willing to pay for themWe are subject to stringent privacy laws and information security policies and regulations. Our products and systems receive, generate, and store significant volumes of personal and sensitive information, such as employee, customer, and patient data. Moreover, our digital ecosystem, which is intended to provide our customers with greater access to a broad array of personal and sensitive information to improve delivery of care to ~~Other~~ their patients, heightens our risks associated with the protection of such information. We have legal and contractual obligations regarding the protection of confidential and personal information and the appropriate collection, use, retention, protection, disclosure, transfer, and other processing of such data. Additionally, regulators within the United States and around the world are evaluating how best to regulate development and use of data as well as AI technologies. We are subject to various privacy law regimes in the different jurisdictions in which we operate, including comprehensive regulatory systems in Europe, 34Latin America, and sector- specific requirements in the United States. Certain international jurisdictions have enacted or are enacting data localization laws mandating that certain types of data collected in a particular jurisdiction be physically stored within that jurisdiction. There are numerous U. S.** federal and state laws ~~generally prohibit~~ **and regulations related to the privacy and security of personal information. In particular, regulations promulgated pursuant to HIPAA establish privacy and security standards that limit the use and disclosure of protected health information (" PHI "), require the implementation of safeguards to protect the privacy and security of PHI and ensure the confidentiality, integrity, and availability of electronic PHI, and require the provision of notice in the event of a breach of PHI. If we are unable to properly protect the privacy and security of PHI, we could face liability for breach of our contracts with our customers. Further, if we fail to comply with applicable HIPAA privacy and security standards, we could face civil and criminal penalties. In addition, there are also various state- level laws (e. g., the California Consumer Privacy Act), both enacted and proposed, that we must monitor for applicability and impact to our business and for which we must implement necessary controls and other requirements (if applicable). In addition, we are subject to the laws and regulations of foreign jurisdictions including, without limitation, the GDPR in the EU and the United Kingdom (" U. K. ") data protection legislation (including the GDPR, as it forms part of the law of the U. K. by virtue of the U. K. GDPR and the U. K. Data Protection Act 2018 (the " U. K. Data Protection Act ")). The GDPR is wide- ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to having a legal basis for processing personal data, providing information to** individuals **regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third- party processors. The GDPR permits data protection authorities to impose large penalties ~~or~~ for ~~entities~~ violations of the GDPR, including potential fines of up to € 20 million (£ 17. 5 million for U. K.) or 4 % of annual global revenues, whichever is greater. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting** from ~~knowingly presenting~~ **violations of the GDPR. If we fail to comply with the GDPR , the U. K. GDPR, and the U. K. Data Protection Act, we could face fines, penalties, and harm to ~~or~~ our ~~causing~~ reputation. The GDPR also imposes strict rules on the transfer of personal data** to **countries outside the EU and the U. K., including the United States. The European Commission has issued standard contractual clauses for data transfers from controllers or processors in the EU (or otherwise subject to the GDPR) to controllers or processors established outside the EU. The standard contractual clauses require exporters to assess the risk of a data transfer on a case- by- case basis, including an analysis of the laws in the destination country.**

The U. K. is not subject to the European Commission' s standard contractual clauses but has published a U. K.- specific transfer mechanism, which enables transfers from the U. K. The U. K.- specific mechanism, the " International Data Transfer Agreement ", requires a similar risk assessment of the transfer as the standard contractual clauses. Further, the EU and United States have adopted its adequacy decision for the EU- U. S. Data Privacy Framework (" Framework"), which entered into force on July 11, 2023. This Framework provides that the protection of personal data transferred between the EU and the United States is comparable to that offered in the EU. This provides a further avenue to ensuring transfers to the United States are carried out in line with GDPR. There has been an extension to the Framework to cover U. K. transfers to the United States. The Framework could be ~~presented~~ **challenged like its predecessor frameworks. This complexity and the additional contractual burden increases our overall risk exposure. There may be further divergence in the future** , ~~claims for payment~~ **including with regard to administrative burdens. Increased cybersecurity requirements, vulnerabilities, threats, and more sophisticated and targeted computer crimes pose a risk to our systems, networks, products, solutions, services, and data, as well as our reputation, which could adversely affect our business. We manufacture and sell products that rely upon software and computer systems to operate properly and process and store confidential information. Our products often are connected to, and reside within, our customers' information technology (" IT ") infrastructures. In some jurisdictions, we are expected to design our products to include appropriate cybersecurity protections, and regulatory authorities may review such protections when granting marketing authorizations. While we seek to protect our products and IT systems** from ~~Medicare~~ **unauthorized access** , ~~Medicaid~~ **these measures may not be effective** , **particularly because techniques used to obtain unauthorized access or to sabotage systems change frequently, increase in sophistication, and often are not identified at the time that they are launched against a target. These risks apply to** ~~or~~ **our installed base of products, products we currently sell, new products we will introduce in the future, and older technology that we no longer 35sell or service but remains in use by customers. Additionally, we offer software and cloud products that are developed by, controlled by, or are hosted by third- party providers. A cybersecurity breach of our systems or products, of our customers' or service providers' network security and systems, or of** other third- party ~~payors that are false~~ **services could disrupt treatment being delivered to patients or interfere with** ~~or~~ **our** ~~fraudulent~~ **customers' operations** , **and could lead to the loss of, damage to, or public disclosure of** ~~or~~ **our** ~~are~~ **employees' and customers' stored information, including personal data, such as individually identifiable health information (" protected health information " or " PHI "). Such an event could have serious negative consequences, including alleged customer or patient harm, obligations to notify enforcement authorities or users of our products, voluntary or forced recalls of or modifications to our products, regulatory actions, fines, penalties and damages, reduced demand** for ~~items~~ **or use of** ~~or~~ **our offerings by customers** ~~services that were not provided as claimed. These laws include~~ , ~~among others~~ **harm to our reputation** , **and time** ~~the federal healthcare Anti-~~ **consuming** ~~Kickback Statute, the federal civil False Claims Act, other federal health care false statement~~ and ~~fraud statutes~~ **expensive litigation** , **any of** ~~the Open Payments program, the Civil Monetary Penalties Law, and analogous fraud and abuse and transparency laws in most states, as described in Item 1, Business — Government Regulation. While the federal laws generally apply only to products or services for~~ which ~~payment may be made by a federal healthcare program, state laws often apply regardless of whether federal funds may be involved. While we believe and make every effort to ensure that our business arrangements with third parties and other activities and programs comply with all applicable laws, these laws are complex, and our activities may be found not to be compliant with one or more of these laws, which may result in significant civil, criminal and / or administrative penalties, fines, damages and exclusion from participation in federal health care programs. Even an unsuccessful challenge or investigation into our practices could cause adverse publicity, and be costly to respond to, and thus** could have a material adverse effect on our business **results, cash flows** , financial condition **, or prospects. There are increasingly large volumes of information, including patient data, being generated that need to be securely processed and stored by healthcare organizations. There has been** ~~and~~ **an** ~~results~~ **increase in the frequency and sophistication** of **the cybersecurity threats we and our service providers face, and we expect these activities to continue to increase. Geopolitical tensions or conflicts, such as the conflict between Russia and Ukraine, and the increased adoption of AI technologies, may further heighten the risk of cyber- attacks. Additionally, leveraging AI capabilities to potentially improve internal functions and** operations **presents further risks** ~~. Our compliance with Medicare~~ and **challenges** ~~Medicaid regulations may be reviewed by federal or state agencies~~ , including the ~~Office~~ **possibility** of ~~Inspector General~~ **creating new attack methods** for **adversaries** ~~the U~~ . **The use** ~~S. Department~~ of **AI** ~~Health and Human Services (" OIG "), the Centers for Medicare & Medicaid Services (" CMS "), and the U. S. Department of Justice, or may be subject~~ to **support** ~~whistleblower lawsuits under federal and state false claims laws. To ensure compliance with Medicare, Medicaid and other regulations, government agencies conduct periodic audits of the Company to ensure compliance with various supplier standards and billing requirements. Similarly, our international operations are subject to the provisions of the FCPA, which prohibits U. S. companies and their intermediaries from making payments in violation of law to non- U. S. government officials for the purpose of obtaining or retaining business or securing any other improper advantage. In many countries, the healthcare professionals that medical device distributors regularly interact with may meet the definition of a foreign official for purposes of the FCPA. International~~ business operations ~~are also subject~~ **carries inherent risks related** to ~~various other international anti- bribery laws~~ **data privacy, IP, and security,** such as **intended, unintended, or inadvertent transmission of proprietary, confidential, or sensitive information, as well as challenges related to implementing and maintaining AI tools, such as developing and maintaining appropriate datasets for such support. If we fail to implement adequate safeguards, the use of AI may introduce additional operational vulnerabilities by producing inaccurate outcomes based on flaws in the underlying data or methodologies, or unintended results. Furthermore, we may also be exposed to a more significant risk if such actions are taken by state or state- affiliated actors. The objectives of** ~~the~~ **these** ~~UK Bribery Act of 2010. Despite meaningful~~

~~measures that we undertake~~ **cyber- attacks vary widely and may include, among other things, unauthorized access** to ~~facilitate lawful conduct~~ **personal, customer, or third- party information, disruptions in operations and the provision of services to customers, or theft of IP or other sensitive assets or information belonging to us, our business partners, or customers. As such attacks become more effective, the risks in this area continue to grow. The back- up systems we have in place may not be adequate in the event of a failure or interruption. We may not have current capabilities to identify all vulnerabilities** , which ~~include training and compliance programs and internal policies and procedures, we~~ may ~~not always prevent unauthorized, reckless~~ **allow others to exploit persistent potential exposures within** ~~or~~ **our** ~~criminal acts~~ **IT systems and products. We could suffer significant business disruption, including transaction errors, supply chain or manufacturing interruptions, processing inefficiencies, data loss, loss of customers, reputational damage, the loss of or damage to IP or other proprietary information, litigation, investigation, and possible liability to employees, customers, suppliers, patients, and regulatory authorities as a result of a successful cyber- attack. Further, our ability to effectively plan, forecast, and execute our business plan and comply with applicable laws and regulations may be impaired** by ~~our employees or agents, or employees or agents of businesses or operations we may acquire. Violations of these laws, or allegations of~~ such ~~violations,~~ **cyber- attacks. Any of the above** could ~~disrupt operations, involve significant management distraction and~~ have a material adverse effect on our business **results, cash flows** , financial condition **, or prospects,** and **on the timeliness of reporting our operating** results ~~of operations~~ **. We rely on software** , ~~among~~ **SaaS, hardware, and** other **material components from** ~~adverse consequences. If we are found to have violated laws protecting the confidentiality and security of health information, we could be subject to civil or criminal penalties, which could increase our liabilities and harm our reputation or our business. There are~~ a number of ~~federal and state laws protecting the confidentiality and security of individually identifiable health information and PHI and restricting the use and disclosure of that protected information. In particular, the HHS has promulgated privacy rules and security rules under HIPAA. The HIPAA privacy rules protect medical records and other personal health information by limiting their~~ - **third parties** ~~use and disclosure, giving individuals the right~~ to **manufacture** ~~access, amend and seek 47accounting of their own health information and limiting most use and disclosures of health information to the minimum amount reasonably necessary to accomplish the intended purpose. The HIPAA security rules require the implementation of administrative, physical and technical safeguards to protect the security of PHI. HIPAA applies to health plans, health care providers who engage in certain standard healthcare transactions electronically, such as electronic billing, and healthcare clearinghouses, all of which are referred to as " covered entities. " HIPAA also applies to " business associates, " or~~ **our products** ~~organizations that provide services to covered entities involving the use or disclosure of PHI. Business associates, like us, are subject to direct liability for violations of HIPAA. Penalties for HIPAA violations can be issued by the HHS' s Office for Civil Rights, the U. S. Department of Justice, and state attorneys general. Financial penalties can range from $ 100 to $ 50, 000 per violation, with a maximum penalty of $ 1. 5 million per year for violation, with penalties adjusted for inflation annually. HIPAA authorizes states attorneys' general to file suit on behalf of state residents; in such cases, courts can award damages, costs and attorneys' fees related to HIPAA violations in addition to the aforementioned financial penalties. While HIPAA does not create a private right of action allowing individuals to sue in civil court for HIPAA violations, the HIPAA rules have been used as the basis for a duty of care claim in state civil suits for negligence or recklessness in the misuse or breach of PHI. Further, to provide " covered entity " clients with services that involve access to PHI, HIPAA requires us to enter into business associate agreements that require us to safeguard PHI in accordance with HIPAA~~ . If ~~we fail to comply with the terms of our business associate agreements, we may also be liable contractually. Additionally, we are subject to any state laws that are more restrictive than the rules issued under HIPAA. These laws vary by state and could impose stricter standards and additional penalties. If we are found to be in violation of these applicable state laws, we could be subject to additional civil or criminal penalties, which could increase our liabilities, harm our reputation and have~~ a material **cyber incident impacting a supplier were to** ~~adverse effect on our business, financial condition and results~~ - **result in its prolonged inability** ~~of operations. We are subject~~ to **use** ~~complex and evolving U. S. and foreign laws and regulations regarding privacy~~ , **manufacture** ~~data protection,~~ and **/ or ship such components** ~~other matters. Many of these laws and regulations are subject to change and uncertain interpretation~~ , ~~and~~ **this** could **impact** ~~result in claims, changes to our business practices, monetary penalties, increased cost of operations, or~~ **our ability to manufacture and /** ~~declines in customer growth or engagement, or otherwise harm our~~ - **or** ~~business. We are subject to a variety of laws and regulations in the United States and abroad that involve matters central to our business, including laws and regulations relating to privacy, data sharing and data protection, AI and~~ use **our** ~~of machine learning, rights of publicity, content, intellectual property, advertising, marketing, distribution, data security, data retention and deletion, personal information, electronic contracts and other communications, competition, protection of minors, consumer protection, telecommunications, product~~ **products** ~~liability, taxation, economic or other trade prohibitions or sanctions, corrupt practices, fraud, waste and abuse restrictions, and securities law compliance. The introduction of new products or expansion of our activities in certain jurisdictions may subject us to additional laws and regulations. For example, both the federal and various state governments of the United States have adopted or are considering laws, guidelines or rules for the collection, distribution, use and storage of information collected from or about customers or their devices. The CCPA, for example, which became effective January 1, 2020, substantially expands privacy obligations of many businesses providing services to California residents, including us. The CCPA requires new disclosures to California consumers, imposes new rules for collecting or using information about minors, and affords consumers new rights, such as the right to know whether the data is sold or disclosed and to whom, the right to request that a company delete personal information collected, the right to opt out of the sale of personal information and the right to non- discrimination in terms of price or service when a consumer exercises a privacy right. If we fail to comply with these regulations, the CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. Moreover, the CPRA, which became operational on January 1, 2023, expands on the CCPA, creating new consumer rights and protections, including: the right to correct personal information, the~~

right to opt out of the use of personal information in automated decision making, the right to opt out of " sharing " consumer' s personal information for cross- context behavioral advertising, and the right to restrict use of and disclosure of sensitive personal information, including geolocation data to third parties. We will need to evaluate and potentially update our privacy program to ensure compliance with the CPRA and may incur additional costs and expenses in our effort to comply . In addition, foreign data protection **third- party sourced software components** , privacy **malicious code** , and other laws and regulations can be more restrictive than those in the United States. For - **or** example, the GDPR and the UK GDPR impose stringent operational requirements for the collection, use, 48storage of, protection of and disclosure of personal data.. The GDPR and UK GDPR also confer a **critical vulnerability emerging** private right of action on data subjects and consumer associations to lodge complaints with **within** the supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR and UK GDPR. The European regime also includes directives which, among other things, require EU member states to regulate marketing by electronic means, the use of web cookies and other tracking technology. Each EU Member State and the UK has transposed the requirements of such **software could expose our customers** directives into its own national data privacy regime, and therefore, the laws may differ between jurisdictions. We may also be subject to **increased cyber risk. While we** EU and UK rules with respect to cross- border transfers of personal data out of the EEA, and legal developments in Europe have **undertaken efforts** created complexity and uncertainty regarding transfers of personal data from the EU and the UK to **mitigate** third countries such as the U. S. Future developments regarding the flow of data across borders could increase the cost and complexity of delivering our services in some markets and may lead to governmental enforcement actions, litigation, fines, and penalties or adverse publicity, which could adversely affect our business and financial position. Data localization laws in some countries may mandate that certain types of data collected in a particular country be stored and / or processed within that country. We could be subject to audits in Europe and around the world, particularly in the areas of consumer and data protection, as we continue to grow and expand our operations. Legislators and regulators may make legal and regulatory changes, or interpret and apply existing laws, in ways that make our products less useful to customers, require us to incur substantial costs, expose us to unanticipated civil or criminal liability, or cause us to change our business practices. These changes or increased costs could negatively impact our business and results of operations in material ways. If we fail to comply with these standards, we could be subject to criminal penalties and civil sanctions, including fines and penalties and amounts could be significant. Cybersecurity **cybersecurity** risks and cyber incidents could result in the compromise of confidential data or critical data systems and give rise to potential harm to customers , remediation and other expenses, expose us to liability under HIPAA, consumer protection laws, or other common law theories, subject us to litigation and federal and state governmental inquiries, damage our reputation, and otherwise be disruptive to our business and operations. Cyber incidents can result from deliberate attacks or unintentional events. We collect and store on our networks sensitive information, including intellectual property, proprietary business information and personally identifiable information of individuals, such as our customers and employees. The secure maintenance of this information and technology is critical to our business operations. We have implemented multiple layers of security measures to protect the confidentiality, integrity and availability of this data and the systems and devices that store and transmit such data. We utilize current security technologies, including encryption and data depersonalization, and our defenses are monitored and routinely tested. Despite these efforts , threats from malicious persons and groups, new vulnerabilities and advanced new attacks against **may not prevent all incidents. If we were to experience a significant cybersecurity breach of our** information systems create risk of cybersecurity incidents. These incidents can include, but are not limited to, gaining unauthorized access to digital systems for - **or** purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and may not immediately produce signs of intrusion, we may be unable to anticipate these incidents or techniques, timely discover them - **the costs associated with** , or implement adequate preventative measures. Cybersecurity threats can come from a variety of sources, and may range in sophistication from an individual hacker to malfeasance by employees, consultants or other service providers to state- sponsored attacks. Cyber threats may be generic, or they - **the** may be custom- crafted against our information systems. Over the past several years, cyber- attacks have become more prevalent and much harder to detect and defend against. Our network and storage applications, as well as those of our contractors, may be vulnerable to cyber- attack, malicious intrusion, malfeasance, loss of data privacy or other significant disruption and may be subject to unauthorized access by hackers, employees, consultants or other service providers. In addition, hardware, software or applications that we develop or procure from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Unauthorized parties may also attempt to gain access to our systems or facilities through fraud, trickery or other forms of deceiving our employees, contractors and temporary staff. There can be no assurance that we will not be subject to cybersecurity incidents that bypass our security measures, impact the integrity, availability or privacy of personal health information or other data subject to privacy laws or disrupt our information systems, devices or business, including our ability to deliver services to our users. As a result, cybersecurity, 49physical security and the continued development and enhancement of our controls, processes and practices designed to protect our enterprise, information systems and data from attack, damage or unauthorized access remain a priority for us. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate **investigation** and , remediate **remediation , and potential notification** any cybersecurity vulnerabilities. The occurrence of any of these -- **the breach** events could result in: ● harm to customers and end- users; ● business interruptions and delays; ● the loss , misappropriation **regulators** , corruption or unauthorized access of data; ● litigation, including potential class action litigation, and **counterparties** potential liability under privacy, security and consumer protection laws or other applicable laws; ● reputational damage; ● increase to insurance premiums; and ● foreign, federal and state governmental inquiries, any of which could have a material, adverse effect on our financial position and results of operations and harm our business reputation. Security breaches, loss of data and other

disruptions could compromise sensitive information related to our business or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation. In the ordinary course of our business, we collect and store sensitive data, intellectual property and proprietary business information owned or controlled by us or our users. This data encompasses a wide variety of business- critical information, including R & D information, commercial information, and business and financial information. We face four primary risks relative to protecting this critical information: loss of access; inappropriate disclosure; inappropriate modification; and inadequate monitoring of our controls over the first three risks. The secure processing, storage, maintenance, and transmission of this critical information is vital to our operations and business strategy, and we devote significant resources to protecting such information. Although we take measures to protect sensitive information from unauthorized access or disclosure, our information technology and infrastructure may be vulnerable to attacks by hackers or viruses, breaches, interruptions due to employee error, malfeasance, lapses in compliance with privacy and security mandates, or other disruptions. Any such breach or interruption could compromise our networks and the information stored there could be accessed by unauthorized parties, publicly disclosed, lost, or stolen. Any such security breach or interruption , as well as any action by us or **related litigation expenses, fines, penalties,** our - **or damages, could** employees or contractors that might be inconsistent with the rapidly evolving **material. In addition, our remediation efforts may not be successful. The** data privacy and **IT** security **insurance coverage** laws and regulations applicable within the United States and elsewhere where we **currently maintain may be inadequate** conduct business, could result in enforcement actions by U . **In addition** S. states , the **market** U. S. federal government or **for** foreign governments **such insurance continues to evolve and** , liability **in the future,** or **our** sanctions under data privacy **and IT security insurance coverage may be prohibitively expensive or** laws that protect personally identifiable information, regulatory penalties, other legal proceedings such as, but not **available** limited to, private litigation, the incurrence of significant remediation costs, disruptions to our development programs, business operations and collaborations, diversion of management efforts and damage to our reputation, which could harm our business and operations. For example, the CCPA provides for both civil penalties and a private right of action for data breaches as a result of an entity' s non - **on acceptable terms** - compliance with the CCPA. Because of the rapidly moving nature of technology and the increasing sophistication of cybersecurity threats, our - **or** measures to prevent **in sufficient amounts** , respond to and minimize such risks may be unsuccessful. With respect to medical information, we follow HIPAA rules and applicable state laws, separate personal information from medical information, and further employ additional encryption tools to protect the privacy and security of Butterfly' s users and medical data. However, hackers may attempt to penetrate our - **or** computer systems, and, if successful, misappropriate personal or confidential business information. In addition, an associate, contractor or other third party with whom we do business may attempt to circumvent our security measures in order to obtain such information, and may purposefully or inadvertently cause a breach involving such information. While we continue to implement additional protective measures to reduce the risk of and detect cyber incidents, cyber- attacks are becoming more sophisticated and frequent, and the techniques used in such attacks change rapidly. In addition, non- compliance with any foreign data privacy and data security regulations, such as the GDPR, which requires stringent data breach notification obligations, among many other requirements, resulting in a data breach may result in 50fines of up to € 20 million or 4 % of the annual global revenues of the infringer, whichever is greater. There can be no assurance that our efforts to comply with these and other applicable data privacy regulatory regimes will be successful. Further, unauthorized access, loss or dissemination of sensitive information could also disrupt our operations, including our ability to conduct R & D activities, process and prepare company financial information, manage various general and administrative aspects of our business and damage our reputation, any of which could adversely affect our business and reputation. In addition, there can be no assurance that we will promptly detect any such disruption or security breach, if at all. To the extent that any disruption or security breach were to result in a loss of or damage to our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development of our products could be delayed. Broad **36Broad** - based domestic and international government initiatives to reduce spending, particularly those related to healthcare costs, may reduce reimbursement rates for medical procedures, which will reduce the cost- effectiveness of our products and services. Healthcare reforms, changes in healthcare policies and changes to third- party coverage and reimbursements, including legislation enacted reforming the U. S. healthcare system and both domestic and foreign healthcare cost containment legislation, and any future changes to such legislation, may affect demand for our products and services and may have a material adverse effect on our financial condition and results of operations. The ongoing implementation of the Affordable Care Act, in the United States, as well as state- level healthcare reform proposals could reduce medical procedure volumes and impact the demand for medical device products or the prices at which we can sell products. These reforms include a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain healthcare services through bundled payment models. The impact of this healthcare reform legislation, and practices including price regulation, competitive pricing, comparative effectiveness of therapies, technology assessments, and managed care arrangements are uncertain. There can be no assurance that current levels of reimbursement will not be decreased in the future, or that future legislation, regulation, or reimbursement policies of third parties will not adversely affect the demand for our products and services or our ability to sell products and provide services on a profitable basis. The adoption of significant changes to the healthcare system in the United States, the EEA or other jurisdictions in which we may market our products and services, could limit the prices we are able to charge for our products and services or the amounts of reimbursement available for our products and services, could limit the acceptance and availability of our products and services, reduce medical procedure volumes and increase operational and other costs. **Healthcare industry cost- containment measures could result in reduced sales of our products and services. Most of our customers rely on third- party payers, including government programs and private health insurance plans, to reimburse some or all of the cost of the procedures in which our products are used.** There - - **The continuing efforts of governmental authorities, insurance companies and other payers of healthcare costs to contain**

or reduce these costs could lead to patients being unable to obtain approval for payment from these third- party payers. If third- party payer payment approval cannot be obtained by patients for procedures that use our products, sales of our products may decline significantly and our customers may reduce or eliminate purchases of our products. The cost- containment measures that healthcare providers are instituting, both in the U. S. and outside of the U. S., could harm our ability to operate profitably. For example, GPOs and IDNs have **also concentrated purchasing decisions** ~~been judicial and Congressional challenges to certain aspects of the Affordable Care Act, and as a result, certain sections of the Act have not been fully implemented or were effectively repealed. However, following several years of litigation in the federal courts, in June 2021, the United States Supreme Court upheld the Affordable Care Act when it dismissed a legal challenge to the Act' s constitutionality. Further legislative and regulatory changes under the Affordable Care Act remain possible. In addition to the Affordable Care Act, there have been and will likely continue to be other federal and state changes that affect the provision of healthcare goods and services in the United States. While we are unable to predict what changes may ultimately be enacted, to the extent that future changes affect how our products and services are paid~~ for **some customers** ~~and reimbursed by government and private payers~~ , **which has led to downward pricing pressure** ~~our business could be adversely impacted. Moreover, complying with any new legislation or reversing changes implemented under the Affordable Care Act could be time- intensive and expensive, resulting in a material adverse effect on the business. Inadequate funding~~ for ~~the FDA, the SEC and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business. The ability of the FDA to review and approve or clear new~~ medical device **companies** ~~products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund R & D activities, is subject to the political process, which is inherently fluid and unpredictable. 51Disruptions at the FDA and other agencies may also increase the time necessary for new products to be reviewed and / or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, the U. S. government has shut down several times, and certain regulatory agencies, such as the FDA and the SEC, have had to furlough critical employees and stop critical activities. Separately, in response to the COVID- 19 pandemic, since March 2020, when foreign and domestic inspections of facilities were largely placed on hold, the FDA has been working to resume pre- pandemic levels of inspection activities, including routine surveillance, bioresearch monitoring and pre- approval inspections. Additionally, regulatory authorities outside the United States may adopt similar restrictions or other policy measures in response to the COVID- 19 pandemic. If a prolonged government shutdown or slowdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA to timely review and process regulatory submissions, which could have a material adverse effect on our future business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations~~ . Risks Related to Butterfly' s Intellectual PropertyIf we are unable to protect our intellectual property, our ability to maintain any technological or competitive advantage over our competitors and potential competitors would be adversely impacted, and our business may be harmed. We rely on patent protection as well as trademark, copyright, trade secret and other intellectual property rights protection and contractual restrictions to protect our proprietary technologies, all of which provide limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. As of December 31, 2022, we owned approximately 900 issued patents and pending patent applications in the United States and foreign jurisdictions, including Australia, Canada, Europe, Japan, China, Taiwan, Korea and India. These issued patents and pending patent applications (if they were to be issued as patents) have expected expiration dates ranging between approximately 2030 and 2042. If we fail to protect our intellectual property, third parties may be able to compete more effectively against us, we may lose our technological or competitive advantage, or we may incur substantial litigation costs in our attempts to recover or restrict use of our intellectual property. We cannot assure investors that any of our currently pending or future patent applications will result in granted patents, and we cannot predict how long it will take for such patents to be granted or whether the scope of such patents, if granted, will adequately protect our products from competitors. It is possible that, for any of our patents that have granted or that may be granted in the future, others will design alternatives that do not infringe upon our patented technologies. Further, we cannot assure investors that other parties will not challenge any patents granted to us or that courts or regulatory agencies will hold our patents to be valid or enforceable. We cannot guarantee investors that we will be successful in ~~defending~~ **37defending** challenges made against our patents and patent applications. Any successful third- party challenge to our patents could result in the unenforceability or invalidity of such patents, or to such patents being interpreted narrowly or otherwise in a manner adverse to our interests. Our ability to establish or maintain a technological or competitive advantage over our competitors may be diminished because of these uncertainties. For these and other reasons, our intellectual property may not provide us with any competitive advantage. For example: ● We or our licensors might not have been the first to make the inventions covered by each of our pending patent applications or granted patents; ● We or our licensors might not have been the first to file patent applications for our inventions. To determine the priority of these inventions, we may have to participate in interference proceedings or derivation proceedings declared by the U. S. Patent and Trademark Office (" USPTO ") that could result in substantial cost to us. No assurance can be given that our patent applications or granted patents (or those of our licensors) will have priority over any other patent or patent application involved in such a proceeding; ● Others may independently develop similar or alternative products and technologies or duplicate any of our products and technologies; ~~52~~ ● It is possible that our owned or licensed pending patent applications will not result in granted patents, and even if such pending patent applications

grant as patents, they may not provide a basis for intellectual property protection of commercially viable products, may not provide us with any competitive advantages, or may be challenged and invalidated by third parties; ● We may not develop additional proprietary products and technologies that are patentable; ● The patents of others may have an adverse effect on our business; and ● While we apply for patents covering our products and technologies and uses thereof, as we deem appropriate, we may fail to apply for patents on important products and technologies in a timely fashion or at all, or we may fail to apply for patents in potentially relevant ~~jurisdictionsTo~~ **jurisdictionsFiling ,** ~~the extent our intellectual property offers inadequate protection -~~ **prosecuting** ~~, or is found to be invalid or unenforceable, we~~ **and defending patents on current and future products in all countries throughout the world** would be **prohibitively expensive** ~~exposed to a greater risk of direct competition. If our intellectual property does not provide adequate coverage over our products and protection against our competitors' products~~ , ~~our competitive position could be adversely affected, as could our business. Software is a critical component of our devices. To the extent such software is not protected by our patents, we depend on copyright~~ and ~~trade secret protection and non- disclosure agreements with our employees, strategic partners and consultants, which may not provide adequate protection. The measures that we use to protect the security of our intellectual property and other proprietary rights may not be adequate, which could result in the loss of legal protection for, and thereby diminish the value of, such intellectual property and other rights. In addition to pursuing patents on our technology, we also rely upon trademarks, trade secrets, copyrights and unfair competition laws, as well as license agreements and other contractual provisions, to protect our intellectual property and other proprietary rights. Despite these measures, any of~~ our intellectual property rights ~~could~~ **in some countries outside the United States can** be ~~challenged, invalidated, circumvented or misappropriated~~ **less extensive than those in the United States** . In addition, ~~we take steps to~~ **the laws of some foreign countries do not** protect ~~our~~ intellectual property **rights** ~~and proprietary technology by entering into confidentiality agreements and intellectual property assignment agreements with our employees, consultants, corporate partners and, when needed, our advisors. Our suppliers also have access~~ to the **same extent** ~~patented technology owned or used by us~~ as ~~well as~~ **federal and state laws in** ~~other~~ -- **the** ~~proprietary information~~ **United States. Consequently** , ~~and these suppliers~~ **regardless of whether we** are ~~subject~~ **able** to ~~confidentiality provisions under their agreements with us. Such agreements or provisions may not be enforceable or may not provide meaningful protection for our trade secrets or other proprietary information in the event~~ **prevent** ~~of unauthorized use~~ **third parties from practicing** ~~or~~ **our** ~~disclosure or~~ **inventions in** ~~other~~ -- **the United States** ~~breaches of the agreements~~ , ~~and~~ we may not be able to prevent **third** ~~such unauthorized disclosure. Notwithstanding any such agreements, there is no assurance that our current or former manufacturers or suppliers will not use and / or supply our competitors with our trade secrets, know- how or other proprietary information to which these~~ parties ~~gained access or generated~~ from **practicing** ~~their relationship with us. This could lead to our competitors gaining access to patented or~~ **our inventions** ~~other proprietary information. Moreover, if a party to an agreement with us has an overlapping or conflicting obligation to a third party, our rights~~ in **all countries** ~~and to certain intellectual property could be undermined. Monitoring unauthorized disclosure is difficult, and we do not know whether the steps we have taken to prevent such disclosure are, or will be, adequate. If we were to enforce a claim that a third party had illegally obtained and was using our trade secrets, it would be expensive and time- consuming, the outcome would be unpredictable, and any remedy may be inadequate. In addition, courts~~ outside the United States ~~may be less willing to protect trade secrets. In addition~~ , ~~competitors could purchase our -~~ **or** ~~products and attempt to replicate some or all of the competitive advantages we derive~~ from **selling** ~~our -~~ **or** ~~development efforts, willfully infringe~~ **importing products made using our inventions in and into the United States** ~~our -~~ **or other jurisdictions. Even if we pursue and obtain issued patents in particular jurisdictions, our patent claims or other** intellectual property rights ~~, design around~~ **may not be effective** ~~our -~~ **or sufficient to prevent third parties from competing. Accordingly, we may choose not to seek patent protection in certain countries, and we will not have the benefit of patent protection in such countries. If we fail to** ~~protected --~~ **protect** ~~technology or develop their own competitive technologies that fall outside of~~ our intellectual property ~~rights. If~~ **, third parties may be able to compete more effectively against us, we may lose our technological or competitive advantage, or we may incur substantial litigation costs in our attempts to recover or restrict use of** our intellectual property ~~does~~ **. For these and other reasons, our intellectual property may** not **provide us with any** ~~adequately protect our market share against competitors' products and methods, our~~ competitive **advantage** ~~position could be adversely affected, as could our business. 53We are party to the TSEA by and among us and certain affiliated companies, pursuant to which the parties have agreed to share personnel and certain non- core technologies. The sharing arrangements under the TSEA may prevent us from fully utilizing our personnel and / or the technologies shared under the TSEA. Furthermore, if the TSEA were to terminate, or if we were to lose access to these technologies and services, our business could be adversely affected. We entered into the TSEA, by and among us and other participant companies controlled by the Rothbergs, consisting of AI Therapeutics, Inc., Quantum- Si Incorporated, Hyperfine Operations, Inc. (f / k / a Hyperfine, Inc.), 4Bionics LLC, Tesseract Health, Inc., Liminal Operations, Inc. (f / k / a Liminal Sciences, Inc.) and Detect, Inc. (f / k / a Homodeus Inc.). The TSEA, signed in November 2020, became effective upon the closing of the Business Combination. Under the TSEA, we and the other participant companies may, in their discretion, permit the use of certain non- core technologies, which include any technologies, information or equipment owned or otherwise controlled by the participant company that are not specifically related to the core business area of the participant, such as software, hardware, electronics, fabrication and supplier information, vendor lists and contractor lists, with the other participant companies. The TSEA provides that ownership of each non- core technology shared by us or another participant company will remain with the company that originally shared the non- core technology. In addition, any participant company (including the Company) may, in its discretion, permit its personnel to be engaged by another participant company to perform professional, technical or consulting services for such participant. Unless otherwise agreed to by us and the other participant company, all rights, title and interest in and to any inventions, works- of- authorship, idea, data or know- how invented, made, created or developed by the personnel (employees, contractors or consultants) in the course of conducting services for a participant company (" Created IP ") will be owned by the~~

~~participant company for which the work was performed, and the recipient participant company grants to the party that had its personnel provide the services that resulted in the creation of the Created IP a royalty- free, perpetual, limited, worldwide, non- exclusive, sub- licensable (and with respect to software, sub- licensable in object code only) license to utilize the Created IP only in the core business field of the originating participant company, including a license to create and use derivative works based on the Created IP in the originating participant' s core business field, subject to any agreed upon restrictions. The technology- and personnel- sharing arrangements under the TSEA may prevent us from fully utilizing our personnel if such personnel are also being used by the other participant companies and may also cause our personnel to enter into agreements with or provide services to other companies that interfere with their obligations to us. Created IP under the TSEA may be relevant to our business and created by our personnel but owned by the other participant companies. Furthermore, if the TSEA were to terminate, or if we were to lose access to the technologies and services available pursuant to the TSEA, our business could be adversely affected~~ . Our wafer bonding technology for ultrasound applications is licensed to us by Stanford. Any loss of our rights to this technology could prevent us from selling our products. Our wafer bonding technology for use in ultrasound applications is licensed co- exclusively to us from Stanford until the end of December 2023, at which time the license becomes non- exclusive. We also license on a non- exclusive basis 7 active patents from Stanford. We do not own the patents that underlie these licenses. Our rights to use the licensed technology and employ the inventions claimed in the licensed patents are subject to the continuation of and compliance with the terms of the license. Our principal obligations under the license agreements with Stanford include the following: ● royalty payments; ● meeting certain milestones pertaining to development, commercialization and sales of products using the licensed technology; ● annual maintenance fees; **38** ● using commercially reasonable efforts to develop and sell a product using the licensed technology and developing a market for such product; and ● providing certain reports. If we breach any of these obligations, Stanford may have the right to terminate the licenses, which could result in us being unable to develop, manufacture and sell products using the licensed technology. Termination of our license agreements with Stanford would have a material adverse effect on our business. ~~54In~~ **In** addition, we are a party to a number of other agreements that include licenses to intellectual property, including non- exclusive licenses. We may need to enter into additional license agreements in the future. Our business could suffer, for example, if any current or future licenses terminate, if the licensors fail to abide by the terms of the license, if the licensed patents or other rights are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms. We may need or may choose to obtain licenses from third parties to advance our research or allow commercialization of our current or future products, and we cannot provide any assurances that we would be able to obtain such licenses. We may need or may choose to..... effect on our results of operations. In addition to agreements pursuant to which we in- license intellectual property, we have in the past, and we ~~may~~ **will** in the future, grant licenses under our intellectual property **. For example, we licensed parts of our Ultrasound on a Chip ™ and other components of our intellectual property portfolio to Forest Neurotech in 2023, subject to contractual restrictions. Through programs like our Powered by Butterfly ™, we expect to continue strategically granting licenses to our intellectual property subject to customary contractual provisions** . Like in- licenses, out- licenses are complex, and disputes may arise between us and our licensees ~~, such as the types of disputes described above~~ . Moreover, our licensees may breach their obligations, or we may be exposed to liability due to our failure or alleged failure to satisfy our obligations. Any such occurrence could have an adverse effect on our business ~~forms of compensation~~ .Licensing intellectual property involves complex legal,business and scientific issues.Disputes may arise between us and our licensors regarding intellectual property subject to a license agreement,including:● the scope of rights granted under the license agreement and other interpretation- related issues;● whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;● our right to sublicense patent and other rights to third parties under collaborative development relationships;● our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products,and what activities satisfy those diligence obligations;and ● the ownership of inventions and know- how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.If disputes over licensed intellectual property prevent or impair our ability to maintain the licensing arrangements on acceptable terms,we may be unable to successfully develop and commercialize the affected product,or the dispute may have an adverse effect on our **results of operations** . If we or any of our partners are sued for infringing the intellectual property rights of third parties, such litigation would be costly and time consuming, and an unfavorable outcome in any such litigation could have a material adverse effect on our business. **We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time- consuming and unsuccessful.** Our success also depends on our ability to develop, manufacture, market and sell our products and perform our services without infringing upon the proprietary rights of third parties. Numerous U. S. and foreign- issued patents and pending patent applications owned by third parties exist in the fields in which we are developing products and services. As **is common in the medical device industry, we also engage the services of specialized consultants and employees who are currently providing or previously provided services to our competitors and we may become subject to claims that we, an employee, a consultant or an independent contractor inadvertently or otherwise used or disclosed trade secrets, intellectual property or other information proprietary to their former employers or their former or current clients. As** part of a business ~~strategy~~ **39strategy** to impede our successful commercialization and entry into new markets, competitors may claim that our products and / or services infringe their intellectual property rights and may suggest that we enter into license agreements. Even if such claims are without merit, we could incur substantial costs and the attention of our management, and technical personnel could be diverted in defending us against claims of infringement made by third parties or settling such claims. ~~55Any~~ -- **Any** adverse ruling by a court or administrative body, or perception of an adverse ruling, may have a material adverse impact on our ability to conduct our business and our finances. Moreover, third parties making claims against us may be able to obtain injunctive relief against us, which could block our ability to offer one or more products or services and could result in a substantial award of damages

against us. In addition, since we sometimes indemnify customers, collaborators or licensees, we may have additional liability in connection with any infringement or alleged infringement of third- party intellectual property. ~~Because patent applications can take many years to issue, there may be pending applications, some of which are unknown to us, that may result in issued patents upon which our products or proprietary technologies may infringe. Moreover, we may fail to identify issued patents of relevance or incorrectly conclude that an issued patent is invalid or not infringed by our technology or any of our products.~~ There is a substantial amount of litigation involving patent and other intellectual property rights in the medical device space. As we face increasing competition and as our business grows, we will likely face more claims of infringement **, such as the FujiFilm Sonosite complaint filed against us in 2022** . If a third party claims that we or any of our licensors, customers or collaboration partners infringe upon a third party' s intellectual property rights, we may have to: ● seek licenses that may not be available on commercially reasonable terms, if at all; ● abandon any infringing product or redesign our products or processes to avoid infringement; ● pay substantial damages including, in an exceptional case, treble damages and attorneys' fees, which we may have to pay if a court decides that the product or proprietary technology at issue infringes upon or violates the third- party' s rights; ● pay substantial royalties or fees or grant cross- licenses to our technology; or ● defend litigation or administrative proceedings that may be costly whether we win or lose, and which could result in a substantial diversion of our financial and management resources. ~~We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time- consuming and unsuccessful.~~ Competitors may infringe our patents or the patents that we license. In the event of infringement or unauthorized use, we may file one or more infringement lawsuits, which can **also** be expensive and time- consuming. An adverse result in any such litigation proceedings could put one or more of our patents at risk of being invalidated, being found to be unenforceable or being interpreted narrowly and could put our patent applications at risk of not issuing. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. **Patent litigation can be very costly and time consuming.** Many of our competitors are larger than we are and have substantially greater resources. They are, therefore, likely to be able to sustain the costs of complex patent litigation longer than we could. In addition, the uncertainties associated with litigation **, or an adverse outcome,** could have a material adverse effect on our ability to raise any funds necessary to continue our operations, continue our internal research programs, in- license needed technology **, expose us to significant liabilities** , or enter into development partnerships that would help us bring our products to market ~~. In addition, patent litigation can be very costly and time- consuming. An adverse outcome in any such litigation or proceedings may expose us or any of our future development partners to loss of our proprietary position, expose us to significant liabilities, or require us to seek licenses that may not be available on commercially acceptable terms, if at all. Our issued patents could be found invalid or unenforceable if challenged in court, which could have a material adverse impact on our business. If we or any of our partners were to initiate legal proceedings against a third party to enforce a patent covering one of our products or services, the defendant in such litigation could counterclaim that our patent is invalid and / or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and / or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non- enablement, or failure to claim patent eligible subject matter. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement during prosecution. Third parties may also raise 56similar claims before the USPTO even outside the context of litigation. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and / or unenforceability, we would lose at least part, and perhaps all, of the challenged patent. Such a loss of patent protection would have a material adverse impact on our business. We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed alleged trade secrets of their other clients or former employers to us, which could subject us to costly litigation. As is common in the medical device industry, we engage the services of consultants and independent contractors to assist us in the development of our products. Many of these consultants and independent contractors were previously employed at, or may have previously provided or may be currently providing consulting or other services to, universities or other technology, biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may become subject to claims that we, a consultant or an independent contractor inadvertently or otherwise used or disclosed trade secrets or other information proprietary to their former employers or their former or current clients. We may similarly be subject to claims stemming from similar actions of an employee, such as one who was previously employed by another company, including a competitor or potential competitor. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to our management team. If we were to be unsuccessful, we could lose access or exclusive access to valuable intellectual property. We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property. We generally enter into confidentiality and intellectual property assignment agreements with our employees, consultants, and contractors. These agreements generally provide that inventions conceived by the party in the course of rendering services to us will be our exclusive property. However, those agreements may not be honored and may not effectively assign intellectual property rights to us. For example, even if we have a consulting agreement in place with an academic advisor pursuant to which such academic advisor is required to assign any inventions developed in connection with providing services to us, such academic advisor may not have the right to assign such inventions to us, as it may conflict with his or her obligations to assign all such intellectual property to his or her employing institution. We may not be able to protect our intellectual property rights throughout the world, which could materially, negatively affect our business. Filing, prosecuting and defending patents on current and future products in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries~~

outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, regardless of whether we are able to prevent third parties from practicing our inventions in the United States, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not pursued and obtained patent protection to develop their own products, and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as it is in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Even if we pursue and obtain issued patents in particular jurisdictions, our patent claims or other intellectual property rights may not be effective or sufficient to prevent third parties from competing. Patent protection must ultimately be sought on a country- by- country basis, which is an expensive and time- consuming process with uncertain outcomes. Accordingly, we may choose not to seek patent protection in certain countries, and we will not have the benefit of patent protection in such countries. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at 57risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license and may adversely impact our business. In addition, we also face the risk that our products are imported or reimported into markets with relatively higher prices from markets with relatively lower prices, which would result in a decrease of sales and any payments we receive from the affected market. Recent developments in U. S. patent law have made it more difficult to stop these and related practices based on theories of patent infringement . Changes in patent laws or patent jurisprudence could diminish the value of patents in general, thereby impairing our ability to protect our products. The America Invents Act (" AIA ") was signed into law on September 16, 2011, and many of the substantive changes under the AIA became effective on March 16, 2013 . An important change introduced by the AIA is **the primary governing legislation in** that, as of March 16, 2013, the United States transitioned **and many of the countries we operate within have similar governing legislation. Additionally, courts and administrative bodies often issue rulings on matters related** to **patent and intellectual property enforcement actions,** a " first- to- file " system for deciding which party should be granted a **may either adversely or beneficially impact our ability to enforce our** patent when two or more **and intellectual property rights within the United States and elsewhere. The laws governing** patent applications **prosecution and enforcement** are **subject** filed by different parties claiming the same invention. A third party that files a patent application in the USPTO after that date but before we file could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by the third party. This requires us to be cognizant of the time from invention to filing of a patent application, but circumstances could prevent us from promptly filing patent applications on our inventions. Among some of the other changes introduced by the AIA are changes that limit where a patent holder may file a patent infringement suit and providing additional opportunities for third parties to challenge any issued patent in the USPTO. This applies to all of our owned and in- licensed U. S. patents, even those issued before March 16, 2013. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U. S. federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. The AIA and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. Additionally, the U. S. Supreme Court has ruled on several patent cases in recent years, such as Impression Products, Inc. v. Lexmark International, Inc., Association for Molecular Pathology v. Myriad Genetics, Inc., Mayo Collaborative Services v. Prometheus Laboratories, Inc. and Alice Corporation Pty. Ltd. v. CLS Bank International, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on actions by the U. S. Congress and decisions by the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could **and such changes may be influenced by rulings of courts and other administrative bodies. These changes may** weaken our ability to obtain new patents **and /** or to enforce **the rights of** our existing patents and patents that we might obtain in the future . **40If** Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non- compliance with these requirements. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. There are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case. In some cases, our licensors may be responsible for, for example, these payments, thereby decreasing our control over compliance with these requirements. 58If our trademarks and

trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. We may use third- party open source software components in future products, and failure to comply with the terms of the underlying open source software licenses could restrict our ability to sell such products. We have chosen, and we may choose in the future, to use open source software in our products, including our Software Development Kit which is meant to provide a governed ecosystem for third parties to create content and applications that will serve to enrich the overall software ecosystem and deliver additional clinical and product advancements for our users. Use and distribution of open source software may entail greater risks than use of third- party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. Some open source licenses may contain **unfavorable** requirements that ~~we make available source code for modifications or derivative works we create based upon the type of open source software we use. If we combine our proprietary software with open source software in a certain manner, we~~ could ~~, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would~~ allow our competitors to create similar products with less development effort and time and ultimately could result in a loss of product sales. Although we intend to monitor any use of open source software to avoid subjecting our products to conditions we do not intend, the terms of many open source licenses have not been interpreted by U. S. courts, and there is a risk that any such licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our products. Moreover, there is no assurance that our processes for controlling our use of open source software in our products will be effective. If we are held to have breached the terms of an open source software license, we could be required to seek licenses from third parties to continue offering our products on terms that are not economically feasible, to re- engineer our products, to discontinue the sale of our products if re- engineering could not be accomplished on a timely basis, or to make generally available, in source code form, our proprietary code, any of which could adversely affect our business, operating results and financial condition. We use third- party software that may cause errors or failures of our products that could lead to lost customers or harm to our reputation. We use software licensed from third parties in our products. Any errors or defects in third- party software or other third- party software failures could result in errors, defects or cause our products to fail, which could harm our business and be costly to correct. Many of these providers attempt to impose limitations on their liability for such errors, defects or failures, and if enforceable, we may have additional liability to our customers or third- party providers that could harm our reputation and increase our operating costs. We will need to maintain our relationships with third- party software providers and to obtain software from such providers that does not contain any errors or defects. Any failure to do so could adversely impact our ability to deliver reliable products to our customers and could harm our reputation and results of operations. ~~Numerous factors may limit any potential competitive advantage provided by our intellectual property rights. The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, provide a barrier to entry against our competitors or potential competitors, or permit us to maintain our competitive advantage. Moreover, if a third party has intellectual property rights 59that cover the practice of our technology, we may not be able to fully exercise or extract value from our intellectual property rights. The following examples are illustrative: ● others may be able to develop and / or practice technology that is similar to our technology or aspects of our technology but that is not covered by the claims of any patents that have issued, or may issue, from our owned or in- licensed patent applications; ● we might not have been the first to make the inventions covered by a pending patent application that we own or license; ● we might not have been the first to file patent applications covering an invention; ● others may independently develop similar or alternative technologies without infringing our intellectual property rights; ● pending patent applications that we own or license may not lead to issued patents; ● patents, if issued, that we own or license may not provide us with any competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors; ● third parties may compete with us in jurisdictions where we do not pursue and obtain patent protection; ● we may not be able to obtain and / or maintain necessary or useful licenses on reasonable terms or at all; ● third parties may be able to also license the intellectual property that we have licensed nonexclusively; ● third parties may assert an ownership interest in our intellectual property and, if successful, such disputes may preclude us from exercising exclusive rights over that intellectual property; ● we may not be able to maintain the confidentiality of our trade secrets or other proprietary information; ● we may not develop or in- license additional proprietary technologies that are patentable; and ● the patents of others may have an adverse effect on our business. Should any of these events occur, they could significantly harm our business and results of operations.~~ Risks Related to Our Securities and to Being a Public CompanyThe Company' s outstanding warrants became exercisable for the Company' s Class A common stock upon the first anniversary of Longview' s initial public offering. **If** ~~The exercise of these~~ -- **the Company' s stock price reaches or exceeds $ 11. 50, and** outstanding warrants ~~will increase~~ **are exercised,** the number of shares eligible for future resale in the public market **will increase** and result in dilution to our stockholders. As of February 1, 2023, there were 13, 799, 357 outstanding public warrants to purchase 13, 799, 357 shares of our Class A common stock at an exercise price of $ 11. 50 per share ~~, which warrants became exercisable 12 months from the closing of our initial public offering, which occurred on May 26, 2020~~. In addition, as of February 1, 2023, there were 6, 853, 333 private ~~placement~~ **41placement** warrants outstanding exercisable for 6, 853, 333 shares of our Class A common stock at an exercise price of $ 11. 50 per share. ~~In certain circumstances, the public warrants and private placement~~

~~warrants may be exercised on a cashless basis.~~ To the extent such warrants are exercised, additional shares of our Class A common stock will be issued, which will result in dilution to the holders of our Class A common stock and increase the number of shares eligible for resale in the public market. **The change** ~~Sales of substantial numbers of such shares~~ in **fair value of our warrants is** the **result of changes in stock price and warrants outstanding at each reporting period. The change in fair value of warrant liabilities represents the mark- to- market fair value adjustments to the outstanding warrants issued in connection with the initial** public ~~market could~~ **offering of Longview. Significant changes in our stock price or number of warrants outstanding may** adversely affect ~~the market price of~~ our **net income (loss) in** ~~Class A common stock, the impact of which is increased as the value of~~ our ~~stock price increases~~ **consolidated statements of operations**. If we fail to maintain proper and effective internal controls, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and investors' views of us. We are required to comply with Section 404 of the Sarbanes- Oxley Act. Section 404 of the Sarbanes- Oxley Act requires public companies to maintain effective internal control over financial reporting. In particular, we must perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting. In addition, we ~~are~~ **may be** required to have our independent registered public accounting firm attest to the effectiveness of our internal control over financial reporting ~~. Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that will need to be evaluated frequently. We may need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. 60As previously disclosed in our Amendment No. 1 to our Annual Report on Form 10- K / A for the year ended December 31, 2020, we identified a material weakness in our internal controls over financial reporting related to inaccurate accounting for public warrants and private placement warrants issued in connection with our initial public offering. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented, or detected and corrected on a timely basis. In response to this material weakness we implemented our remediation plan, which included acquiring enhanced access to accounting literature, research materials and documents and improving the communication among our personnel and third- party professionals with whom we may consult regarding the application of complex accounting transactions. Our enhanced review processes and procedures were in place as of December 31, 2021. We have tested the related internal controls and have concluded, through testing, that the newly implemented controls are operating effectively, and that the material weakness previously identified has been remediated as December 31, 2021~~. If we fail to maintain the effectiveness of our internal controls or fail to comply in a timely manner with the requirements of the Sarbanes- Oxley Act, or if we or our independent registered public accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, this could have a material adverse effect on our business. We could lose investor confidence in the accuracy and completeness of our financial reports, which could have an adverse effect on the price of our common stock and we could be subject to sanctions or investigations by the NYSE, the SEC or other regulatory authorities, which would require additional financial and management resources. In addition, if our efforts to comply with new or changed laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed ~~. Our ability to successfully implement our business plan and comply with Section 404 requires us to be able to prepare timely and accurate financial statements. We expect that we will need to continue to improve existing, and implement new operational and financial systems, procedures and controls to manage our business effectively. Any delay in the implementation of, or disruption in the transition to, new or enhanced systems, procedures or controls, may cause our operations to suffer and we may be unable to conclude that our internal control over financial reporting is effective and to obtain an unqualified report on internal controls from our independent registered public accounting firm as required under Section 404 of the Sarbanes- Oxley Act. This, in turn, could have an adverse impact on trading prices for our common stock, and could adversely affect our ability to access the capital markets. The valuation of our warrants could increase the volatility in our net income (loss) in our consolidated statements of operations. The change in fair value of our warrants is the result of changes in stock price and warrants outstanding at each reporting period. The change in fair value of warrant liabilities represents the mark- to- market fair value adjustments to the outstanding warrants issued in connection with the initial public offering of Longview. Significant changes in our stock price or number of warrants outstanding may adversely affect our net income (loss) in our consolidated statements of operations~~. Because we are a " controlled company " within the meaning of the NYSE rules, our stockholders may not have certain corporate governance protections that are available to stockholders of companies that are not controlled companies. ~~So long as more than 50 % of the voting power for the election of our directors is held by an individual, a group or another company, we will qualify as a " controlled company " within the meaning of the NYSE corporate governance standards. As of February 1, 2023, Dr. Rothberg controls approximately 77 % of the voting power of our outstanding capital stock. As a result, we are a " controlled company " within the meaning of the NYSE corporate governance standards and will not be subject to the requirements that would otherwise require us to have: (i) a majority of independent directors; (ii) a nominating committee comprised solely of independent directors; (iii) compensation of our executive officers determined by a majority of the independent directors or a compensation committee comprised solely of independent directors; and (iv) director nominees selected, or recommended for our board of directors' selection, either by a majority of the independent directors or a nominating committee comprised solely of independent directors. 61Dr. Rothberg may have his interest in the Company diluted due to future equity issuances or his own actions in selling shares of our Class B common stock, in each case, which could result in a loss of the " controlled company " exemption under the NYSE listing rules. We would then be required to comply with those provisions of the NYSE listing requirements.~~ The dual class structure of our common stock has the effect of concentrating voting power with the chairman of our board of directors and founder, which will limit an investor' s ability to influence the

outcome of important transactions, including a change in control. Shares of our Class B common stock have 20 votes per share, while shares of our Class A common stock have one vote per share. As of February 1, 2023, Dr. Rothberg holds all of the issued and outstanding shares of our Class B common stock and holds approximately 77 % of the voting power of our capital stock and is able to control matters submitted to our stockholders for approval, including the election of directors, amendments of our organizational documents and any merger, consolidation, sale of all or substantially all of our assets or other major corporate transactions. Dr. Rothberg may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing or deterring a change in control of the Company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of the Company, and may affect the market price of shares of our Class A common stock. ~~We cannot predict the impact our dual-class structure may have on the stock price of our Class A common stock. We cannot predict whether our dual-class structure will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple-class share structures in certain of their indexes. Under these policies, our dual-class capital structure would make us ineligible for inclusion in certain indices, and as a result, mutual funds, exchange- traded funds and other investment vehicles that attempt to passively track those indices will not be investing in our stock. It is unclear what effect, if any, these policies will have on the valuations of publicly traded companies excluded from such indices, but it is possible that they may depress valuations, as compared to similar companies that are included. As a result, the market price of shares of our Class A common stock could be adversely affected.~~ Delaware law and provisions in our certificate of incorporation and bylaws could make a takeover proposal more difficult. Our organizational documents are governed by Delaware law. Certain provisions of Delaware law and of our certificate of incorporation and bylaws could discourage, delay, defer or prevent a merger, tender offer, proxy contest or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares of our Class A common stock held by our stockholders. These ~~provisions provide for, among other things: ● the ability of our board of directors to issue one or more series of preferred stock; ● stockholder action by written consent only until the first time when Dr. Rothberg ceases to beneficially own a majority of the voting power of our capital stock; ● certain limitations on convening special stockholder meetings; ● advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at our annual meetings; ● amendment of certain provisions of the organizational documents only by the affirmative vote of (i) a majority of the voting power of our capital stock and (ii) at least two- thirds of the outstanding shares of our Class B common stock, voting as a separate class; and ● a dual- class common stock structure with 20 votes per share of our Class B common stock, the result of which is that Dr. Rothberg has the ability to control the outcome of matters requiring stockholder approval, even though Dr. Rothberg owns less than a majority of the outstanding shares of our capital stock. These~~ anti- takeover ~~provisions~~ **42provisions** as well as certain provisions of Delaware law could make it more difficult for a third party to acquire the Company, even if the third party' s offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares. If prospective takeovers are ~~62not~~ -- **not** consummated for any reason, we may experience negative reactions from the financial markets, including negative impacts on the price of our common stock. These provisions could also discourage proxy contests and make it more difficult for our stockholders to elect directors of their choosing and to cause the Company to take other corporate actions that our stockholders desire. Our certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings and the federal district courts as the sole and exclusive forum for other types of actions and proceedings, in each case, that may be initiated by our stockholders, which could limit our stockholders' ability to obtain what such stockholders believe to be a favorable judicial forum for disputes with the Company or our directors, officers or other employees. Our certificate of incorporation provides that, unless we consent to the selection of an alternative forum, any (i) derivative action or proceeding brought on behalf of the Company; (ii) action asserting a claim of breach of a fiduciary duty owed by, or any other wrongdoing by, any current or former director, officer or other employee or stockholder of the Company; (iii) action asserting a claim against the Company arising pursuant to any provision of the DGCL or our certificate of incorporation or our bylaws; (iv) action to interpret, apply, enforce, or determine the validity of any provisions in the certificate of incorporation of bylaws; or (v) action asserting a claim against the company or any director or officer of the Company governed by the internal affairs doctrine, shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware. Subject to the foregoing, the federal district courts of the United States are the exclusive forum for the resolution of any action, suit or proceeding asserting a cause of action under the Securities Act. The exclusive forum provision does not apply to suits brought to enforce any liability or duty created by the Exchange Act. Any person or entity purchasing or otherwise acquiring an interest in any shares of our capital stock shall be deemed to have notice of and to have consented to the forum provisions in our certificate of incorporation. These choice- of-forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum that he, she or it believes to be favorable for disputes with the Company or our directors, officers or other employees or stockholders, which may discourage such lawsuits. We note that there is uncertainty as to whether a court would enforce these provisions and that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Section 22 of the Securities Act creates concurrent jurisdiction for state and federal courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Alternatively, if a court were to find these provisions of our certificate of incorporation inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors. Litigation RisksWe face the risk of product liability claims and may be subject to damages, fines, penalties

and injunctions, among other things. Our business exposes us to the risk of product liability claims that are inherent in the testing, manufacturing and marketing of medical devices, including those which may arise from the misuse (including system hacking or other unauthorized access by third parties to our systems) or malfunction of, or design flaws in, our hardware and software products. This liability may vary based on the FDA classification associated with our devices and with the laws of the state or other applicable jurisdiction governing product liability standards applied to specification developers and / or manufacturers in a given negligence or strict liability lawsuit. We may be subject to product liability claims if our products cause, or merely appear to have caused, an injury. Claims may be made by patients, healthcare providers or others selling our products. The risk of product liability claims may also increase if our products are subject to a product recall, whether voluntary or mandatory, or government seizure. Product liability claims may be brought by individuals or by groups seeking to represent a class. ~~Although~~ **43Although** we have insurance at levels that we believe to be appropriate, this insurance is subject to deductibles and coverage limitations. Our current product liability insurance may not continue to be available to us on acceptable terms, if at all, and, if available, the coverage may not be adequate to protect us against any future product liability claims. Further, if ~~63additional~~ -- **additional** medical device products are approved or cleared for marketing, or if we launch additional 510 (k)- exempt device products or products that are not FDA- regulated medical devices, we may seek additional insurance coverage. If we are unable to obtain insurance at an acceptable cost or on acceptable terms with adequate coverage or otherwise protect against potential product liability claims, we will be exposed to significant liabilities, which may harm our business. A product liability claim, recall or other claim with respect to uninsured liabilities or for amounts in excess of insured liabilities could result in significant costs and significant harm to our business. We may be subject to claims against us even if the apparent injury is due to the actions of others or misuse of the device or a partner device. Healthcare providers may use our products in a manner that is inconsistent with the products' labeling and that differs from the manner in which they were used in clinical studies and authorized for marketing by the FDA. Off- label use of products by healthcare providers is common, and any such off- label use of our products could subject us to additional liability, or require design changes to limit this potential off- label use once discovered. Defending a suit, regardless of merit, could be costly, could divert management attention and might result in adverse publicity, which could result in the withdrawal of, or result in reduced acceptance of, our products in the market. Additionally, we have entered into various agreements where we indemnify third parties for certain claims relating to our products. These indemnification obligations may require us to pay significant sums of money for claims that are covered by these indemnification obligations. We are not currently subject to any product liability claims; however, any future product liability claims against us, regardless of their merit, may result in negative publicity about us that could ultimately harm our reputation and could have a material adverse effect on our business, financial condition, results of operations. We are currently subject to a securities class action lawsuit, the unfavorable outcome of which may have a material adverse effect on our financial condition, results of operations and cash flows. On February 16, 2022, a purported class action lawsuit was filed against us, certain of our executive officers and directors, and certain of Longview' s executive officers and directors prior to the Business Combination, alleging violations of the Exchange Act and Rule 10b- 5 and Rule 14a- 9 promulgated thereunder. The alleged class consists of all persons or entities who purchased or otherwise acquired the Company' s stock between February 16, 2021 and November 15, 2021 and / or holders as of the record date for the special meeting of shareholders held on February 12, 2021 in connection with the approval of the Business Combination. The lawsuit is premised upon allegations that the defendants made false and misleading statements and / or omissions about its post- Business Combination business and financial prospects, including the impact of the COVID- 19 pandemic. While we intend to vigorously defend against this action, there is no assurance that we will be successful in the defense or that insurance will be available or adequate to fund any settlement or judgment or the litigation costs of the action. This action may divert management resources, we may incur substantial costs, and any unfavorable outcome may have a material adverse effect on our financial condition, results of operations and cash flows.

General Risk **FactorsThe** ~~FactorsAdverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non- performance by financial institutions or transactional counterparties, could adversely affect the Company' s current and projected business operations and its financial condition and results of operations. Actual events involving limited liquidity, defaults, non- performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market- wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank (" SVB ") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation (" FDIC ") as receiver. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership. Although we do not hold any deposits or other direct investments at SVB, Signature Bank or any other financial institution currently in receivership, if any financial institution at which we hold deposits or other direct investments were to be placed into receivership, we may be unable to access such funds. In addition, if any of our customers, suppliers or other parties with whom we conduct business are unable to access funds with such a financial institution, such parties' ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely 64affected, which in turn, could have a material adverse effect on our current and / or projected business operations and results of operations and financial condition. Although we assess our banking and customer relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect the Company, the financial services industry or the economy in general. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets or concerns or negative expectations about the prospects for companies in the financial services industry. The results of events or concerns that involve one or more of these factors could include a variety of material and~~

adverse impacts on our current and projected business operations and our financial condition and results of operations. These could include, but may not be limited to, delayed access to or the uninsured loss of deposits or direct investments and potential or actual breach of contractual obligations that require the Company to maintain letters of credit. In addition, investor concerns regarding the U. S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in access to our cash or credit and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, result in breaches of our financial and / or contractual obligations or result in violations of federal or state wage and hour laws. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our current and / or projected business operations and financial condition and results of operations. Public health developments, such as the COVID- 19 pandemic, have and could continue to negatively affect various aspects of our business, make it more difficult for us to meet our obligations to our customers and result in reduced demand for our products and services, which could have a material adverse effect on our business, financial condition, results of operations or cash flows. Any future pandemic, outbreak of contagious diseases or other adverse public health developments, such as the COVID- 19 pandemic, could have a material adverse effect on our business operations. These impacts to our operations have included, and could again in the future include, disruptions or restrictions on the ability of our employees and customers to travel or of us to pursue collaborations and other business transactions, travel to customers and / or conduct live demonstrations of our products at promotional events, maintain our presence in medical schools and other educational institutions, oversee the activities of our third- party manufacturers and suppliers and make shipments of materials. We may also be impacted by the temporary closure of the facilities of suppliers, manufacturers or customers. For example, the COVID- 19 pandemic has caused, and may continue to cause, financial strain on our customer base due to decreased funding and other revenue shortfalls. During the pandemic, we have seen our customer base become further strained in solving immediate problems associated with new variants of COVID- 19. As a result, some of our customers have had to shift their attention to these pressing issues, resulting in longer sales cycles and slower adoption in the near term. We have broad discretion over the use of our cash, cash equivalents and marketable securities, and may not use them effectively. Our management has broad discretion to use our cash, cash equivalents and marketable securities to fund our operations and could spend these funds in ways that do not improve our results of operations or enhance the value of our common stock. The failure by our management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business, cause the price of our common stock to decline and delay the development of our product candidates. Pending our use to fund operations, we may invest our cash, cash equivalents and marketable securities in a manner that does not produce income or that loses value. 65The price of our common stock historically has been volatile, which may affect the price at which you could sell any shares of our common stock. The market price for our common stock historically has been highly volatile and could continue to be subject to wide fluctuations in response to various factors. This volatility may affect the price at which you could sell the shares of our common stock, and the sale of substantial amounts of our common stock could adversely affect the price of our common stock. Our stock price is likely to continue to be volatile and subject to significant price and volume fluctuations in response to market and other factors, including: ● the success of our or competing products or technologies; ● developments or disputes concerning issued patents, patent applications or other intellectual property rights; ● regulatory or legal developments in the U. S. and other countries; ● the recruitment or departure of key personnel; **44** ● the level of expenses related to our products; ● the results of our efforts to discover, develop, manufacture, acquire or in- license our current and additional products; ● actual or anticipated changes in estimates as to financial results, timelines or recommendations by securities analysts; ● variations in our financial results or the financial results of companies that are perceived to be similar to us; ● sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares intend to sell shares; ● changes in the structure of healthcare payment systems; ● general economic, industry and market conditions; and ● the other factors summarized and described in this Risk Factors section. Companies trading in the stock market in general have also experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance. In the past, following periods of volatility in the market, securities class- action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management' s attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects. Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain. We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future. We incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives. As a public company, we incur significant legal, accounting and other expenses that we did not incur as a private company. We are subject to the reporting requirements of the Exchange Act which requires, among other things, that we file with the SEC annual, quarterly and current reports with respect to our business and financial condition. In addition, the Sarbanes- Oxley Act as well as rules subsequently adopted by the SEC and Nasdaq to implement provisions of the Sarbanes- Oxley Act, impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Further, in July 2010, the Dodd- Frank Wall Street Reform and Consumer Protection Act (the " Dodd- Frank Act ") was enacted. There are significant corporate

~~governance and executive compensation related provisions in the Dodd- Frank Act that require the SEC to adopt additional rules and regulations in these areas, such as " say on pay " and proxy access. Stockholder activism, the current political environment and the current high level of government intervention and regulatory reform may lead to 66~~